

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

August 8, 1958

62nd Year, No. 32

See More Virtue In Compensation System For Auto BI Than Formerly

By KENNETH O. FORCE

Will heavy underwriting losses, high rates and more and more trouble getting them, with mounting claim costs, increasing traffic accidents, gargantuan settlements and awards, clogged court calendars, and other costly phenomena in the automobile bodily injury liability field lead the insurance business to an acceptance of—or even into pushing for—a compensation system of payments for traffic injuries?

A few years ago the idea of the use of a predetermined schedule of payments for death and injuries caused by automobile accidents, such as that employed in the workmen's compensation field, was abhorrent to practically all insurance men. However, today, executives, claim men and underwriters are discussing the idea of

a compensation system as a possible solution to some of the difficulties in this field.

In former times only a few persons articulately expounded the compensation idea for automobile injuries. They were specially interested in it as a means of speeding up the disposition of negligence cases and of getting prompter indemnification for economic loss arising out of traffic accidents.

One reason insurance executives today are looking at a compensation plan with a more favorable eye is that they believe members of National Assn. of Compensation Claimants' Attorneys, guided and spurred on by the association, are going to continue to use every means at their command to force verdicts and settlements higher and higher. Perhaps they are justified in their belief that some drastic coun-

ter-influence, such as a schedule of injury payments, must be exerted.

Note the objectives of NACCA, as recently outlined by Perry Nichols, Miami, president of the organization: Get limits increased by every means possible. Remove immunity from tort actions of governmental agencies, hospitals and eleemosynary institutions. Get rid of tort death limits in states which have them. Increase limits under financial responsibility and compulsory laws. Prevent curtailment of jury trials. Fight any limitation on the amount of attorneys' fees. Oppose the employment and use of expert witnesses appointed by the courts. Influence legislation more by initiating so many bills the insurance business cannot watch them all, which will enable NACCA to further its own legislative

(CONTINUED ON PAGE 26)

O'Mahoney Begins Investigation Into Insurance Business

"Unregulated" Aviation Is First; Says Public "Doled" \$10 Million For Trip Cover

WASHINGTON—The Senate anti-trust and monopoly subcommittee was scheduled to launch its investigation of the insurance business here Wednesday of this week. Sen. O'Mahoney, acting chairman, issued a release which declared that the public will have a "sizable stake" in the investigation because it "doled out more than \$10 million to buy trip insurance during 1957."

First witnesses scheduled were Albert J. Smith, president of U.S. Aviation Underwriters, and Byron B. May, executive vice-president of Associated Aviation Underwriters. These are the major aviation underwriters in the U.S.

Charges Into "No-Man's Land"

"Operating in a 'no-man's land' where it is virtually free from regulation by either state or federal law, the aviation insurance industry, for all practical purposes, has been able to write its own ticket," Sen. O'Mahoney said.

"Data collected by the subcommittee staff indicates that a study is needed to determine whether the private insurance companies, not being adequately regulated by any public agency, have themselves completely disregarded the public in the setting of rates air travelers and other aviation insurance purchasers are required to pay.

"We have evidence to indicate that this air travel insurance business is so profitable that the companies have been paying fantastically high rentals to airports for the privilege of selling their policies, without beginning to make the rate reductions to the pur-

(CONTINUED ON PAGE 27)

N.Y. Appeals Auto Case, Action Likely Delayed Until 1959

The New York attorney general's office has filed a motion for leave to appeal the decision in the case involving application of the auto liability insurers for a 9.5% increase in private passenger car rates and a 5.9% increase in commercial car rates.

Assistant Attorney General Hirshowitz filed the motion in the court of appeals, the state's highest tribunal, which would, if the motion is granted, be the court that would hear the appeal. Oct. 6 is the next date on which this court will regularly deal with appeal motions. Attorneys say that it may require 10 days or more before the auto rate increase appeal gets attention. If the court grants the appeal, the attorney general has 30 days in which to serve notice of appeal, etc.

Consequently, if there is no other move by the bureaus, it is apparent that it could be 1959 before the insurers, which began their negotiations for a rate increase with the department in the spring of 1957, get a final decision on the filing that was turned down by the department Nov. 12, 1957. National Bureau of Casualty Underwriters and Mutual Insurance Rating Bureau then appealed to the appellate division of the state supreme court, which ordered the department's findings in the case annulled and the superintendent to make a new finding not inconsistent with the court's opinion. It is from this decision that the attorney general is appealing on behalf of the insurance department.

General Adjustment Bureau has moved its Suffolk, Va., branch office to 1007 West Washington Street.

George Nicoud To Succeed Dirksen As Ill. Secretary

George J. Nicoud, secretary-manager of Milwaukee Assn. of Insurance agents, on Sept. 2 will join Illinois Assn. of Insurance Agents as executive manager.

Mr. Nicoud, who has had a successful term of office in Milwaukee since succeeding John Fishdick, is a law graduate of Marquette University and a member of the Wisconsin

bar. He was with the Milwaukee Journal in legal and administrative capacities before joining the agents' association.

With the Illinois association, Mr. Nicoud succeeds Edward J. Dirksen, who resigned last fall to join the mid-America home office of Prudential in Chicago in a legal capacity. For the past several months the acting executive manager in Illinois has been Kelly Graham, who served with Mr. Dirksen as field manager and will continue in that capacity.

D. C. Agents Are Building An Insurance Library

District of Columbia Assn. of Insurance Agents is engaged in putting together an insurance library for the use of members. The organization has completed extensive research into the subject, has developed a list of leading publications and of texts on agency management, insurance law, salesmanship, etc.

The association has designed an attractive book plate for acknowledging gifts from members, and is suggesting that agencies and companies contribute \$10 each and individuals \$5.

Hartford Fire And Columbian Natl. Life Explore Affiliation

James C. Hullett, president of Hartford Fire, and Julian D. Anthony, president of Columbian National Life, jointly announced last week that the two companies are exploring the possibility of Hartford Fire acquiring, through a stock exchange which would be tax free under the federal revenue code, the outstanding stock of Columbian National Life.

Hartford Fire for many years has had a charter for Hartford Life, which it periodically renewed by action of the state legislature. Hartford Fire is one of the first 10 property insurance groups in the country. Columbian National Life had \$537,441,433 insurance in force as of Dec. 31, 1957.



George Nicoud



Hugh Deery agency of Rockford, Ill., has solved several problems with its Volkswagen "Mobile Sales and Service Office." The vehicle has been modified to an office on wheels. In it is kept complete rating information, safety engineering signs and facilities, claims supplies, hand-out pieces, and brochures making it possible

to service the account at the place of business or at home, rather than go back to the office. The sides, painted red on white, constitute mobile sign boards nine feet long, and the name is emblazoned on the back of the vehicle in Scotchlite. The agency reports tremendous acceptance of the idea.

Fire Agents Give Views On Life As Competitive Facility Or Threat

(Herewith are presented more comments from local, property insurance agents who were asked if they thought a life department an essential competitive facility for them in the days ahead. More comments will be published in future issues.)

We believe a life department is an essential competitive facility for an alert and progressive agency. We feel we must be prepared to provide our industrial clients with assistance on group employee benefit programs or they will turn to our competitors who have these facilities. We have operated a life department for more than 40 years. We employ our own life insurance specialists and rely very little on company assistance. We can think of no special problems worth mentioning in the operation of the life department, in the writing of personal coverages, but we make no specialty of such a plan.

We operate our A&S department as a separate department under a separate manager, but it works closely with the life department.

We do not think it presents a serious problem that a multiple line operation might favor those agencies that produce life business. After all, if an

agency provides a substantial volume of attractive business in the fire and casualty fields, I do not think that these insurers are going to penalize an agency for not giving that group their life business. In fact, while many of our fire and casualty companies have made life insurance affiliations, we are continuing to give the bulk of our life and group business to the life companies with which we have been doing business many years. In other words, a life insurance department or affiliate of the large fire and casualty operation is going to have to earn their place in our agency as any other company.

First, we do believe a life department will become an essential competing facility for our agency in the times ahead. This belief is based upon the trend that we have seen developing over the past few years in which fire and casualty companies have been purchasing, or forming, life connections and also upon the constant rumors that many of the major life companies are contemplating the entry into the personal lines end of our business as soon as New York laws have been amended to permit this.

We do not operate a life department at this time, but several of us have

been licensed as life agents, and we do write group life in connection with our A&S department. Our plans are in the embryonic stage, but we are contemplating the development of a personal lines department to handle life insurance and other personal lines on a package basis to be financed by our own agency with monthly payments collected for the package. This department is to work in close liaison with our mortgage loan department and automobile finance department when formed.

We do not believe that an agency operating, or specializing in certain lines only, has an assured future. With the rapidly changing picture and conditions in the industry today, we believe diversification is the safest course. We would prefer a life company which operates as a member of a group controlled by one of our existing fire or casualty companies if this is possible.

We have not experienced any special problems due to the lack of a life department. But we can foresee that an agent representing all divisions of insurance will be in a better position as respects agency-company relations than the agency which represents only a portion of the facilities of a group of companies.

American Bar Assn. Insurance Section Lists L. A. Program

Problems arising from atomic hazards will be a featured topic on the program of the American Bar Assn. insurance, negligence and compensation law section's annual meeting, Aug. 25-28, at Ambassador Hotel in Los Angeles. L. J. Carey of Detroit is chairman of the section.

Moderator of the Aug. 26, Tuesday aye session will be Commissioner McConnell of California. Participants and their subjects will be: Arthur W. Murphy, New York, "The Problem of Protection Against Atomic Hazards," Edmund D. Leonard, San Francisco, "The Atomic Age and Workmen's Compensation," Dr. L. H. Garland, San Francisco, "Medical Aspects of Hazards from Atomic Energy and Its By-products," and E. Blythe Stason, dean of University of Michigan law school, "Tort Liabilities Flowing from the Atomic Hazard."

James B. Donovan, New York, will be moderator in the afternoon. Members of the panel discussing "The Impact of the Atom on Property and Marine Insurance" will be Ambrose B. Kelly, general counsel Associated Factory Mutual Fire; J. Raymond Berry, general counsel National Board of Fire Underwriters, and Louis W. Niggeman, vice-president Fireman's Fund. George Gore, Northrup Field, Hawthorne, Cal., will talk on "Aviation in the Age of Nuclear Energy."

"Compensation Without Fault" will be discussed by a panel on the first day of the meeting. Panelists will be: P. L. Thornbury, Columbus, O.; Leo S. Karlin, Chicago; Edward P. Gallagher, executive vice-president American States; and George McD. Schlottbauer, Madison, Wis.

Afternoon speakers, both of whom are members of the section's fidelity and surety committee, will be Newton E. Anderson, Los Angeles, "Liquidated Damages in Construction Contracts," and Joe Crider Jr., Los Angeles, "Joint Ventures."

The Aug. 28 program will present a discussion on "Whiplash Injuries—the Legal and Medical Aspect" moderated by Judge Clarence B. Runkle of the Los Angeles superior court. Panelists will be John L. King, San Bernardino, Cal., and Dr. Harold E. Crowe, Los Angeles.

Agenda for the final day also includes a talk on "Federal Taxation and Life Insurance" by Kenneth M. Worthy, Washington D. C.

Conventioners will hear Hollywood producer Cecil B. DeMille as the after-luncheon speaker Monday, Aug. 25.

Travelers Health Case To Be Reargued

Fraizer & Fraizer, Lincoln (Neb.) attorneys, have received a order from the U. S. court of appeals for the eighth circuit at St. Louis, that the case of Travelers Health of Omaha vs Federal Trade Commission is set for reargument on Sept. 13. The case was originally argued Nov. 18, 1957. The court's order says reargument is ordered in view of the decision of the Supreme Court of June 30, 1958, in the FTC cases of National Casualty and American Hospital & Life. Travelers Health has until Aug. 20 to file a supplemental brief, and FTC has until Sept. 10 to file a supplemental brief in response.

NAIC Committee Lineup Announced

Committee appointments of National Assn. of Insurance Commissioners have been announced by the NAIC president, Arch E. Northington of Tennessee. The lineup of chairmen and vice-chairmen of particular interest to fire and casualty people follows:

Blanks: F. Britton McConnell, California, chairman; Charles R. Howell, New Jersey, vice-chairman.

Preservation of state regulation: Joseph A. Navarre, Michigan, chairman; F. Britton McConnell, California, vice-chairman.

Accident and Health: Donald Knowlton, New Hampshire, chairman; Rufus E. Hayes, Louisiana, vice-chairman.

Casualty and Surety: George F. Mahoney, Maine, chairman; Frank Sullivan, Kansas, vice-chairman.

Definition and interpretation of underwriting powers: Walter D. Davis, Mississippi, chairman; Paul J. Rogan, Wisconsin, vice-chairman.

Examinations: Joseph A. Humphreys, Massachusetts, chairman; William A. Sullivan, Washington, vice-chairman.

McConnell Heads Federal Liaison

Federal liaison: F. Britton McConnell, California, chairman; Paul J. Rogan, Wisconsin, vice-chairman.

Flood and hurricane: Charles F. Gold, North Carolina, chairman; Joe B. Hunt, Oklahoma, vice-chairman.

Fire and marine: George A. Bisson, Rhode Island, chairman; Ford S. Taft, Wyoming, vice-chairman.

Insurance covering all installment sales and loans: J. Edwin Larson, Florida, chairman; Julius S. Wikler, New

Tanger To Coast For Reliance

Ralph G. Tanger, secretary of Reliance, has been transferred from the home office to the Pacific coast department as secretary and assistant manager.

Mr. Tanger's insurance career dates back to 1928. For many years, he specialized in marine coverages as western marine manager for North British and subsequently Security of New Haven. In 1950, Mr. Tanger was elected assistant secretary of Security in charge of marine operations nationwide, and in 1954 was elected vice-president in charge of the western department for all lines. In 1956 he joined Reliance as secretary and has been working on special assignments for the past year.

York, vice-chairman.

Laws and legislation: Joseph S. Gerber, Illinois, chairman; Julius S. Wikler, New York, vice-chairman.

Non-hospital and medical service associations: Francis R. Smith, Pennsylvania, chairman; Alden C. Palmer, Indiana, vice-chairman.

Rates and rating organizations: C. Lawrence Leggett, Missouri, chairman; Joseph S. Gerber, Illinois, vice-chairman.

Unauthorized insurance: A. J. Jensen, North Dakota, chairman; Rufus D. Hayes, Louisiana, vice-chairman.

Valuation of securities: Joseph A. Humphreys, Massachusetts, chairman; John H. Binning, Nebraska, vice-chairman.

Workmen's compensation: C. P. Thurman, Kentucky, chairman; Ralph F. Apodaca, New Mexico, vice-chairman.

Big Six Month Gains For General Of Seattle

General America Corp., which holds controlling stock in General of Seattle, First National Safeco and General Life, reported a total profit June 30 before taxes of \$8,238,252, or \$17.41 a share. This compares with \$2.25 a share last year.

Adjusted underwriting profits for the six months were \$5,274,932 and investment income \$2,802,449. The underwriting profit was worth \$11.15 a share as against -\$3.75 in 1957.

After taxes and other deductions, the profit for the six months was \$4,738,406 or \$10.01 a share compared with \$2.73 a share last year. Liquidating value of the stock June 30 is shown \$142.14 and in 1957 it was \$128.45.

Zone IV Commissioners Meet At Minneapolis, Sept. 30

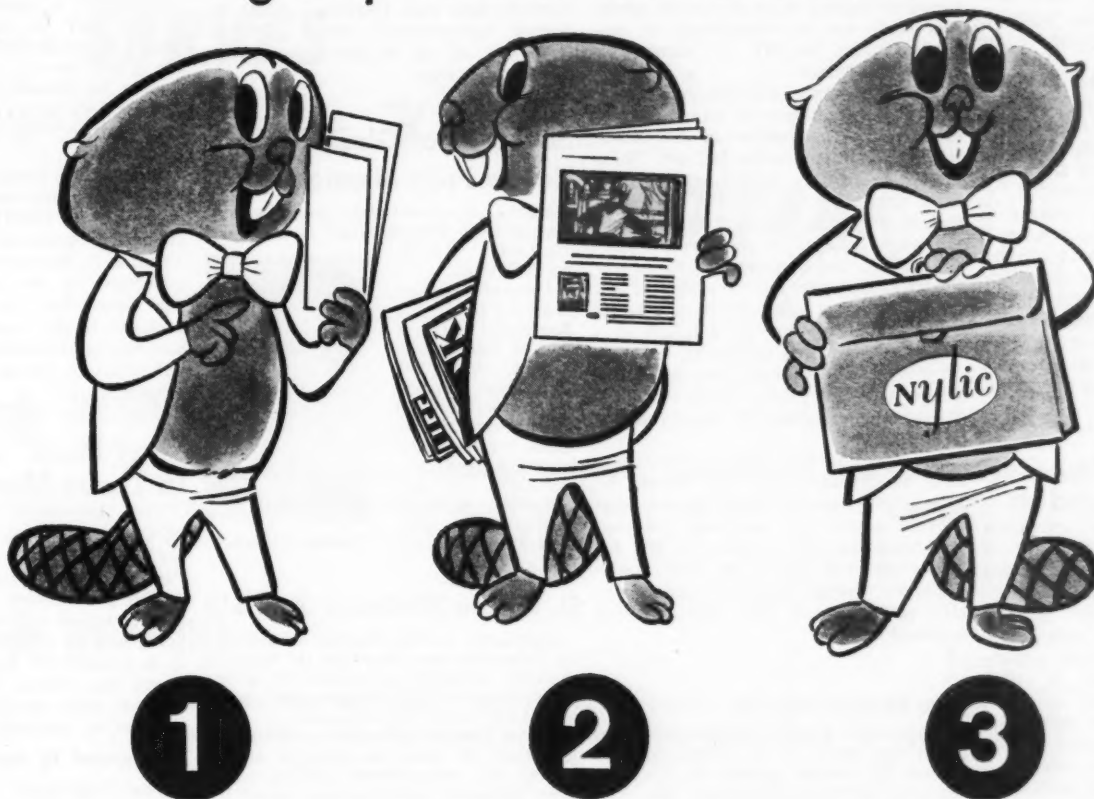
National Assn. of Insurance Commissioners, Zone IV, will meet in Minneapolis Sept. 30-Oct. 1. Commissioner Sheehan of Minnesota will be host and Commissioner Jensen of North Dakota, zone chairman, will preside.

Reservations for the conference may be made directly with the Leamington Hotel, Minneapolis.

Continental Casualty Names Nash In San Francisco

George R. Nash has been named excess and surplus lines manager of Continental Casualty's San Francisco office. He had formerly been with Cravens, Dargan & Co., and before that with Royal-Globe group.

3 reasons hundreds of brokers a month sign up with New York Life!



1 A COMPLETE LINE OF POLICIES —LIFE, A&S, GROUP!

New York Life offers all the modern coverages your clients want—all at attractive commission arrangements for you! Included are Whole Life—now more popular than ever before—plus brand-new coverages such as: Employee Protection Plans with Major Medical for 5 or more employees (available in most states), Accident & Sickness plans, including non-cancelable (to age 65 or 60) Income Protector Policies, Family Insurance and now the Assured Accumulator.

2 HARD-HITTING NATIONAL ADVERTISING SUPPORT!

Month after month, hard-working New York Life ads reach millions of top insurance prospects who read such leading national publications as *Life*, *Look*, *Saturday Evening Post*, *Better Homes and Gardens*, *Time*, *Business Week*—and Sunday newspaper magazine sections. It's a campaign that backs up your own personal selling!

3 FULL-TIME SERVICE TO BROKERS!

New York Life's skilled brokerage specialists are ready to give you all the product facts and selling help you need to clinch the sale. These are salaried men whose full-time job is to work with you. They're located in major markets—ready to help you earn more commission dollars!

Get all the facts today! Write to:

Brokerage Division

New York Life
Insurance *nylic* Company

51 Madison Avenue, New York 10, N. Y.



Life Insurance • Group Insurance • Annuities • Accident & Sickness Insurance • Pension Plans

Michigan High Court Finds "Horse Play" Injuries Compensable

Injury due to "horse play" at work is now compensable in Michigan, according to a current opinion of the Michigan supreme court. The precedent-setting opinion, written by Justice Talbot Smith, was issued in the case of Douglas S. Crilly, who lost an eye as a result of "horse play" while on a roofing job in Detroit five years ago.

The opinion stated that when employers hire a human being, with all his reactions and imperfections . . . he must eat, he must rest . . . and he sometimes plays jokes on his fellows."

Mr. Crilly's injury resulted from the playful tossing of a shingle by a fellow worker in "youthful exuberance." This did not release the employer from liability, the court majority contended.

Employer was Wisdom Roofing & Siding Co., with Travelers as insurer.

On the same day, the court refused to grant compensation to convicts working in prison shops. The appeal board was upheld in denying benefits to Lloyd R. Severance, hurt in the Jackson prison laundry, on grounds that he was "not an employee within the meaning of our act."

Cooper Is Promoted By Phoenix Of London

Phoenix of London has appointed William S. Cooper Jr. as assistant to the executive vice-president. He joined the company in 1944 in the casualty underwriting department and in 1950 advanced to the executive department. In 1951 he became assistant superintendent of agencies and in 1952 served as executive assistant.

Mr. Cooper will now be associated with the administration and control of branch offices and the establishment of effective liaison with the home office.

Mass. Redefines WC For The Homeowner

The concept of a homeowner's liability to employees under the Massachusetts workmen's compensation law has been changed, and liability coverage under personal package policies has been directly affected by an amendment to the law effective Sept. 26.

The measure provides that a resident homeowner or tenant in dwellings of three families or less who hires workmen for construction, maintenance or repairs in or about the premises shall not be considered an employer under the WC act because of such employment.

Prior to this qualification the law defined an employer as anyone hiring employees. All workers in hazardous jobs were subject to the WC act. These included ordinary handymen, carpenters, plumbers and similar workmen. Before the amendment, if these workers were injured as employees around a dwelling, the homeowner, as an uninsured employer, had no common law defense against suits for damages. He could not plead that the employee or a fellow worker was negligent, that the employee had assumed risk of injury when hired, or that injury was not caused by negligence or other fault of the employer.

Insurance counsel and underwriters have held that if the law before the amendment made homeowners employers under the compensation act and required them to provide WC for handymen and others, all such workers were thereby excluded under specific provisions of CPL and dwelling package forms.

Joins Missouri Agency

James F. Devlin, formerly state agent for Reliance at Cleveland, has joined the Holton agency in Clayton, Mo., as secretary-treasurer. He had been with Reliance since 1950.

California Hailstorm Damage At \$540,000

Two hailstorms, one accompanied by winds of near cyclone velocity, caused an insured loss of \$540,000 on commercial and residential buildings last week at Barstow, Cal., and neighboring Lenwood and Daggett, General Adjustment Bureau has reported.

Damage to 1,800 buildings averaged \$300. Automobile damage was extensive, affecting an estimated 300 cars with an average of \$300 per vehicle. Neon signs and plate glass windows were broken and torrential rains incurred considerable water damage. GAB has set up an emergency storm office at Barstow.

Shatterproof Glass Corp.

Names Pratt Manager

Harry A. Pratt has been named manager of Shatterproof Glass Corp. insurance division, Detroit.

Formerly sales manager for American Glass Co., in Sacramento, Mr. Pratt has 10 years' experience in all phases of the automobile glass replacement business, from supervision of installation to field selling and sales training.



Harry J. Pratt

D. C. Fire Minimum Now \$10

Insurance Rating Bureau of District of Columbia has amended its rules so that the minimum premium for a fire policy is \$10. This applies also when additional perils are included.

No additional or return premium of less than \$1 need be charged or allowed. No endorsement adding perils after inception date may be issued for less than additional premium of \$1.

Medical, Hospital Plans Studied By Senate Committee

Medical, surgical and hospitalization plans in Washington, D.C., are being studied by the Senate committee on the District of Columbia. Sen. Bible, committee chairman, has directed his staff to obtain information relating to Group Hospitalization, Inc., Group Health Association and D. C. Medical Service.

This matter is under "active consideration," a committee source said, and it may be decided that a full-scale investigation and hearings on the plans are in order. Bible is expected to decide the course of the committee's future actions "in the very near future," the committee sources said.

Following Group Hospitalization's recent 42% increase in rates, Washington, D.C., Life Underwriters Assn. reviewed operation of the plan, and Thomas R. Buchanan, New York Life, president of the association, said at the time that the plan should be brought under regulation as an insurance organization. Under its present charter, Group Hospitalization is exempt.

"Buy-Back" Deductible In Three More States

The "buy-back" \$50 deductible on extended coverage has been approved for use in Missouri Aug. 1, in Nebraska Aug. 11 and Minnesota Aug. 15. This is the plan under which the insured has to pay an additional charge of \$16 per policy if he desires full coverage. It is already in use in Kansas, Oklahoma and North and South Dakota and has done wonders in encouraging the use of deductible coverages.

Inaugurated In January

The "buy-back" plan was inaugurated in January of this year to stimulate the use of deductibles and thus eliminate the expensive small claim problem which has been eating away at the companies in the form of time and expense. Reportedly, in the states in which the plan has been in use the longest, it has been highly successful.

In Missouri the rates for EC on mercantile properties of ordinary construction will be increased 14%, from 32 to 36 cents, but the present 16 cents on dwellings will remain the same, as will the 16 cent rate on dwelling contents. However, in policies after Aug. 1 the dwelling policies will have a provision that the 16 cent rate provides coverage on any one claim only after the first \$50 of damage has been deducted, unless the additional \$16 premium is paid.

Illinois Mutual L.&C.

Promotes Three At HO

Illinois Mutual L.&C. promoted three officers at the annual meeting. E. B. Forsythe, vice-president claims and underwriting, was elected a board member to succeed Miss Gladys P. Edwards, who retired as secretary-treasurer after 42 years of service.

C. F. Stiteley was named secretary-treasurer, and Frank F. Dodge vice-president and actuary. Mr. Stiteley has been assistant secretary and Mr. Dodge head of the actuarial department.

Other officers reelected were E. A. McCord, president; R. A. McCord, executive vice-president and C. E. Reighart, vice-president. This was the first annual meeting for the policyholders and board since the company entered the life insurance field.



"Insurance
to Value?"

Now that you mention it, it has been a long time since my policies have been brought up to date. I would suffer greatly in case of loss, judging by today's high replacement costs.



**NEW HAMPSHIRE
FIRE INSURANCE**

COMPANY
MANCHESTER



**GRANITE STATE
FIRE INSURANCE**

COMPANY
NEW HAMPSHIRE

AMERICAN

SERVES

YOU

BETTER!

★ INSPECTIONS

American surveys every installation thoroughly, checking to see if the conditions which caused the first break exist elsewhere. We also check all storefront metal and advise you of any findings. This added service protects you!

★ REPAIRS

Glass replacement is done quickly and efficiently with minimum inconvenience to your assureds. Our radio dispatched equipment is only minutes away from the break.

★ RESEARCH

American is constantly searching for new and more efficient glass replacement methods and incorporating them into our installations. Imagination and technology team up to bring you better, faster and less expensive glass replacement.

★ SERVICE

American's 39 year reputation has been built on service . . . service unmatched for speed, dependability and quality workmanship.

CALL MO 4-1100

Normand Beris, President

Members of the Chicago Association of Commerce

1030-42 N. Branch—Chicago—MOhawk 4-1100

American Glass Company

3156 E. Woodbridge—Detroit—LO 8-1060

"Recognition Merited by Our Service"

Chicago Rehabilitation Institute Typifies Availability Of Medical Science Help For WC Insurers

The insurance industry has a well defined obligation in the field of rehabilitation. It recognizes its opportunities in the close liaison needed between private and public facilities, and the carrier is the only agency which can provide the necessary co-ordination between the many requirements and services involved. The carrier's program will provide the best in realistic rehabilitation, allowing the injured man to understand and reach

**HOW
MUCH
TIME
SHOULD
AN
A & H
SALE TAKE?**



We at Continental Casualty know that you can't afford to make many calls to close an A & H sale. Your main capital asset is your selling time . . . every additional call you make on a client cuts down the total premiums you're able to bring in.

That's why we give fast, down-to-earth help. We have ten divisions, each specializing in a separate part of the A & H field. We always have the right policy "in stock" and ready for your client's signature. When you contact a Continental General Agent or Branch, there's a specialist there with the answer, every time.

And if you're looking for new A & H coverage with powerful sales appeal, we're ready for you because we anticipate new insurance needs before they're widely recognized. Let us set up a sales campaign for you on one of our successful new hospitalization contracts, such as **LIFETIME—PAID UP AT 65**. We'll help you find the best market, we'll show you effective sales approaches, we'll supply hard-hitting direct mail pieces. Get the most out of your selling time . . . call Continental.

CONTINENTAL CASUALTY COMPANY

Home Office: 310 S. Michigan Ave., Chicago, Ill.

A Member of the Continental-National Group

CONTINENTAL ASSURANCE COMPANY • NATIONAL FIRE INSURANCE COMPANY OF HARTFORD

TRANSPORTATION INSURANCE COMPANY • TRANSCONTINENTAL INSURANCE COMPANY

his potentialities and goals physically, mentally, socially and economically.

Assn. Of Casualty & Surety Companies

The metropolitan organizations of one of the large insurers operating in Chicago heard a talk recently on rehabilitation of physically handicapped and what can be accomplished by means of this "third phase of medical care." The speaker was Dr. Bernard J. Michela, chief of physical medicine and assistant medical director of Rehabilitation Institute of Chicago.

The surprising thing about Dr. Michela's talk was not so much in what he said, but in the fact that most of the matters he discussed were entirely new to his audience. That there is a Rehabilitation Institute of Chicago where comprehensive evaluation and service can be obtained was unknown to the insurance men, and they were not aware of the uses that could be made of the institute by casualty insurance companies.

Primary Objective Noted

The prime objective in rehabilitation is to restore physical and social function to the maximum of remaining ability in order that the individual may assume as fully as possible a normal life. Rehabilitation of physically disabled persons, from quadruple amputees and paraplegics to those of relatively slight physical impairment is a new development in the field of medicine. Major pioneering of this phase of medical care was done by Dr. Howard Rusk, whose New York Institute of Physical Medicine and Rehabilitation is still the largest and best known of its kind. It was Dr. Rusk who characterized rehabilitation as the third phase of medicine, following prevention of disease or accident and specific treatment.

Concept Receiving Acceptance

There is an increasing acceptance of the concept that the benefits derived from a rehabilitation program should be a contingency under workmen's compensations laws. The main interest of an insurer is in the potential recovery of the employee of an insured, and the value of rehabilitating disabled workmen has been most strikingly demonstrated by Liberty Mutual, which has operated two rehabilitation centers—one in Boston and the other in Chicago—and has convincingly demonstrated that there is a large financial incentive to an insurer in getting a disabled employee back on his feet as an economic entity and back on the job whenever possible.

A study of 480 cases in New York City is an example of what can be accomplished by rehabilitation. These cases cost \$700,000 a year to support before rehabilitation. The rehabilitation program costs an additional \$306,000, but the 480 cases are now producing a total earned income of \$1.5 million and pay \$180,000 in taxes.

Was Opened in 1954

Rehabilitation Institute of Chicago, of which Dr. Joseph H. Chivers is medical director, was opened in 1954. It is about the same age as a number of similar organizations in Detroit, Kansas City, Minneapolis, New York, Los Angeles, Louisville, Columbus, Cincinnati, Boston, Denver, and Warm Springs, Ga.—the need for which has been brought about by medical advances and their increase of the life span of bed patients almost to normal expectancy. It has become necessary to relieve pressure on hospitals and to get persons who were disabled and

(CONTINUED ON PAGE 18)

Travelers Budgets Business Coverage

Travelers has reported that the success of the premium budget plan as applied to family coverages, introduced by the company a year ago, caused an increasing demand among company representatives for a corresponding plan suitable for commercial accounts.

Opportunity For Consolidation

The demand now has been met with a plan which offers commercial firms—stores, offices, manufacturing plants—the opportunity to consolidate their business coverages in a single package and to pay for it in uniform, convenient installments spread over the year. At present the plan is limited to firms whose annual premiums under the program would not exceed \$5,000 per agreement, but this category includes approximately 90% of American business concerns.

The advantages of budgeting premiums will be even more obvious to businessmen than it has been to householders, the company believes. One of the most obvious advantages is elimination of the annoyance of meeting different due dates for different coverages, with some policies requiring the payment of large premiums—seemingly at times when such outlays are least convenient. Another advantage is that, by placing all its insurance in one package, a business firm precludes the duplication of coverages that can result from having several different agents writing varied policies. One program, entrusted to one agent, fills gaps in coverage that may have existed without the knowledge of the policyholders, the company points out.

The opportunity to spread the cost of its insurance over the year makes it possible for the smaller business to acquire coverages that it might otherwise have passed up—such as rent and rental value, extra expense, accounts receivable and valuable papers, all important coverages, but often omitted because the premiums, when added to others coming at irregular intervals, can sometimes seem prohibitive.

Booklet Describes Protection Plans

A new booklet (form number M-5424), covering Travelers business insurance plan, describes the availability of protection for income, protection for an establishment and equipment, protection against liability, and protection for employees through group insurance.

The feeling of security afforded by group insurance contributes a better working organization by increasing efficiency, raising morale, creating loyalty and reducing turnover, the booklet explains. Through the plan, employers can help employees obtain comprehensive group insurance protection to bolster their own personal protection, including life, weekly indemnity, hospital, surgical and medical expense, and pensions and retirement. This coverage applies to special plans available to groups of 10 to 24 employees.

Exclusions under the plan are few, and readily understandable. Among them are policies written on a retrospective basis; policies for which the premium is already payable periodically under a deferred payment, installment or similar plans; and policies written for a deposit, provisional of

(CONTINUED ON PAGE 23)

Swiss Re Notes Poor Results In Canada And U. S. In 1957

Swiss Re's 1957 report shows an unfavorable loss experience in Canada and the U. S. and continued premium increases in the most unfavorable line of all, liability, world wide, more than half the increase of 76 million Swiss francs (to a total 906,368,616) came from liability.

In fire a normal growth in premium income was counterbalanced by re-distributions within the companies of the group, which showed only the same premium volume as 1956. The results were somewhat better than in 1956. Exception was Canada, which again produced a considerable deficit and where it has become urgently necessary to revise the inadequate premium rates and restrict cover for special hazards, which in recent years had been granted all too generously.

Hail Closes With Loss

In the U. S., where the loss experience was still unfavorable, Swiss Re had no profit, despite the fact there were no major natural catastrophes, particularly windstorms. Hail insurance again closed with a loss. Burglary and theft and the other minor classes of property insurance once more yielded "gratifying results."

In the marine department there was a further rise in income, but as a result of the increased loss burden the profit was somewhat smaller than in the previous year. In A&S the company was able to register a modest increase in premium. The results were satisfactory, although in accident slightly less so than in 1956.

Third Party Liability Up

The premium volume of third party liability business again rose much more than that of the other classes. The importance of these constantly unprofitable lines has not ceased to grow, thus disturbing the balance between the various branches according to Swiss Re. This problem is one about which primary insurers also are much concerned. The reinsurer is, however, more seriously affected by this development since it is very often denied the compensation which the other more favorable branches, such as fire, might provide. The experience was just as unsatisfactory as in the preceding year, and the deficit has grown with the larger premium. A certain improvement in motor insurance which took place in some territories was more than absorbed by the

OL&T Rates Rise In Several States

National Board of Casualty Underwriters has revised OL&T for BI on classifications rated on area or frontage in certain states, effective July 30. In all but one state the result is an increase. In South Carolina the reduction is 5.3%. In Alabama the increase is 17.5%, Arkansas 18.8%, Delaware 16.9%, Idaho 6.2%, Kansas 15.2%, Maine 10.6%, Mississippi 20.1%, Nevada 9.9%, New York City 16.3%, New York state excluding New York City, 23.8%, Rhode Island 30.0%, and Wyoming 10.8%.

The rates for apartment, tenement, boarding, rooming and lodging houses in New York City are not revised at this time. Frontage is eliminated as a basis of premium in New York for all classifications currently rated on the dual basis of area and frontage except apartment, tenement, boarding, rooming and lodging houses.

bad results in general third party, to which the losses deriving from aviation contributed. The motor losses were an important factor in the U. S. and Canada, in view of the considerable volume of Swiss Re business there.

For years Swiss Re has constantly tried to improve its third party results, according to the report, and has been successful for a number of contracts. But the successes have been outweighed by losses, which have occurred under hitherto satisfactory participations and by the deterioration of treaties which were already in difficulties. In surety, fidelity and credit insurance there has been a notable growth in premium. After losses in two years 1957 showed a small profit.

In view of the general increase in volume and the greater risks deriving from developments in the technical field, Swiss Re has increased its reserve for extraordinary losses to 15 million Swiss francs.

Zurich-American Names Keller Fire Executive

Robert F. Keller has been appointed assistant superintendent of fire for



Robert F. Keller

Zurich-American, succeeding George N. Duncan, who resigned. Mr. Keller has 22 years' underwriting and administrative experience. He has been with National Union Fire since 1952, and most recently was secretary in charge of the southern department for that company.

Western Adjustment Names Two In Illinois

Western Adjustment & Inspection has made two managerial changes in Illinois. Adjuster J. B. Justice, who has been at Decatur, has been named manager at Dixon to replace Manager J. A. Bielenberg, who goes to Peoria in that capacity.

Mr. Justice began with Western Adjustment at Leavenworth and has been at Decatur about four years. Mr. Bielenberg started with WAB at Kankakee, Ill., and later served at Quincy, Ill. He has been manager at Dixon for three years.

D. C. Girardot, regional manager for all of Illinois, remains in that capacity at Peoria, where he has also been serving as manager.

Michigan Assn. Prepares Driver Education Booklet

Michigan Assn. of Insurance agents and Michigan Insurance Information Service will cooperate in publishing and distributing two booklets that tell how automobile insurance operates and what elements enter into its costs.

Entitled "Understanding Automobile Insurance" the booklet will be ready for general distribution soon. Copies will be sent to driver training instructors of all Michigan schools with an order form to supply all eligible students.

American Surety Appoints Barthel

American Surety has appointed David L. Barthel claims representative in its Chicago office. Mr. Barthel attended Texas Western University, and joined American Surety in March.

N. Y. Appeal Court To Hear WC Issue

The state supreme court of Albany county, N.Y., has ordered the show cause action by New York Compensation Insurance Rating Board against Insurance Superintendent Julius S. Wikler to be transferred to the appellate division for argument. The court also granted a temporary stay, preventing Mr. Wikler's order with respect to workmen's compensation rates on May 25 from going into effect. However, the temporary stay was granted without prejudice to Mr. Wikler to move to vacate the stay.

After extensive hearings, Mr. Wikler ordered a new set of WC rates for the state, computed by eliminating the experience of the State Fund in determining rates to be charged by the private insurers. To this the board objected, along with State Fund.

Best Company Promotes Begien

R. S. Begien has been named resident vice-president of the southwest area of Alfred M. Best Co. He has been in the southwest with the company for 25 years.

Crum & Forster Moves; Address Is Unchanged

More than 650 Crum & Forster employees have moved into five floors of finished space under a temporary roof at the 13th floor level of the new 31 story office tower being erected in conjunction with the present building at 110 William street. In effect they have relocated without a change in address.

Construction crews are continuing to erect the skeleton and to add the aluminum skin in completing the world's tallest reinforced concrete office structure.

Lloyd's Growth Outlined

Broadway Brokers, Philadelphia firm specializing in assisting producers place excess and surplus lines in the domestic market and with London Lloyds, has issued a pamphlet, "A Sketch of the History of Lloyds." In addition to the historical development of Lloyds the pamphlet emphasizes that its reputation, originally built on shipping and marine insurance, now extends into practically every field of coverage.

Stewart, Smith & Co., Inc.

116 JOHN STREET
NEW YORK 38, N. Y.

consulting brokers
to the insurance industry



LONDON • NEW YORK • CHICAGO • MONTREAL

Significant Jurisdictional Case Decided

The decision of the New York court of appeals, the state's highest court, that the Louisiana statute which permits suit directly against the liability insurer is not enforceable in New York, is of considerable interest to the casualty business. Assn. of Casualty & Surety Companies, American Mutual Insurance Alliance, and National Assn. of Independent Insurers submitted briefs as friends of the court in the case, which was Morton vs

Maryland Casualty. Watters & Donovan of New York appeared for AC&SC and NAII, and Theodore Hetzler Jr. represented the alliance.

The New York appellate court assigned two reasons for nonenforceability of the Louisiana law in New York. First, under the statute's language and its interpretation in Louisiana the revenue restriction to certain parishes is an integral part and limitation of the right of action. Second, such di-

rect action against an insurer is in opposition to New York's public policy of eliminating from the jury's consideration the fact of insurance.

Another argument urged by the appellate division and by Maryland Casualty is that under the Louisiana statute the insurer is deprived of some of the defenses available to it under New York law.

The New York high court ruled only on the first reason for nonenforceability since it is more than enough to justify dismissal of the suit. "The limitation whereby suits may be brought

in the appropriate Louisiana parishes only is inseparable from the cause of action itself," the court declared. This interpretation is strongly supported by Louisiana administrative practice. Morton's liability policy contained the conventional prohibition against direct suits, etc. Despite that prohibition, Maryland Casualty as a condition precedent to doing business in Louisiana was required to consent to suits by persons injured in Louisiana accidents. The consent form gives consent to direct suits "in the state of Louisiana." The insurer was never asked to agree nor did it ever agree that a direct suit could be brought against it elsewhere than in Louisiana, the court declared.

Nominate Directors Of Mutual Agents' Group

A committee of which Charles M. Scott of Ellicott City, Md., is chairman, has nominated 11 directors of National Assn. of Mutual Insurance Agents. They will be voted on at the annual convention to be held at the Commodore hotel in New York Oct. 20-21.

The nominees are Paul A. Garrick of Medina, past president of the New York association; George P. Tobler of Long Island, N. Y.; Walter D. Stead Jr., past president of the Alabama association; Wilson H. Flock of Kingston, Pa., past president of Tri State association; Mr. Scott, past president of Tri State; J. Frank Budd of Somerville, past president New Jersey association; H. L. Patterson of Omaha, past president Nebraska association; Clifton R. Lewis of Tullahoma, past president Tennessee association; George R. McKiever of Miami, past president Florida association; Adolph Imig of Sheboygan, past president Wisconsin association, and William R. Warburton of Providence, past president New England association.

Aetna Life Companies To Sponsor Hartford Symphony TV Series

Aetna Life affiliated companies will sponsor a series of six "pops" concerts by the Hartford symphony orchestra which will be televised next winter over station WHCT-TV (Channel 18). The series, to begin Jan. 11 and continue on alternating Sundays through Mar. 22, will originate from Bulkeley memorial auditorium in the home office.

A feature of the program will be the appearance of Connecticut high school students performing as soloists with the orchestra. An Aetna Life music scholarship amounting to \$1,000 will be awarded to the student who gives the most outstanding performance. Student soloists will be selected at a series of auditions to be conducted throughout the state next fall.

In addition, a professional soloist and a 12-voice choral group will appear with the orchestra on the televised program series.

Explanatory Brochure Quoted

The Oklahoma City office of National Union has been moved to 516 Mercantile building. Frank W. Comegys is state agent there.

This Could Be Your Town...

It Contains Hundreds of Marine Profit Opportunities

In your community... as in every community... there are hundreds of prospects for the many and varied lines of Marine Insurance. Practically every home, every farm, every business building represents a Marine profit opportunity.

AN AETNA CASUALTY MARINE SPECIALIST can help you develop these prospects. As a member of one of the nation's largest Marine field forces, he is highly skilled in *all* forms of inland and ocean marine insurance. Why not give him a call today?

Marine Division

AETNA CASUALTY & SURETY COMPANY
STANDARD FIRE INSURANCE COMPANY

Affiliated with Aetna Life Insurance Company
Hartford, Connecticut

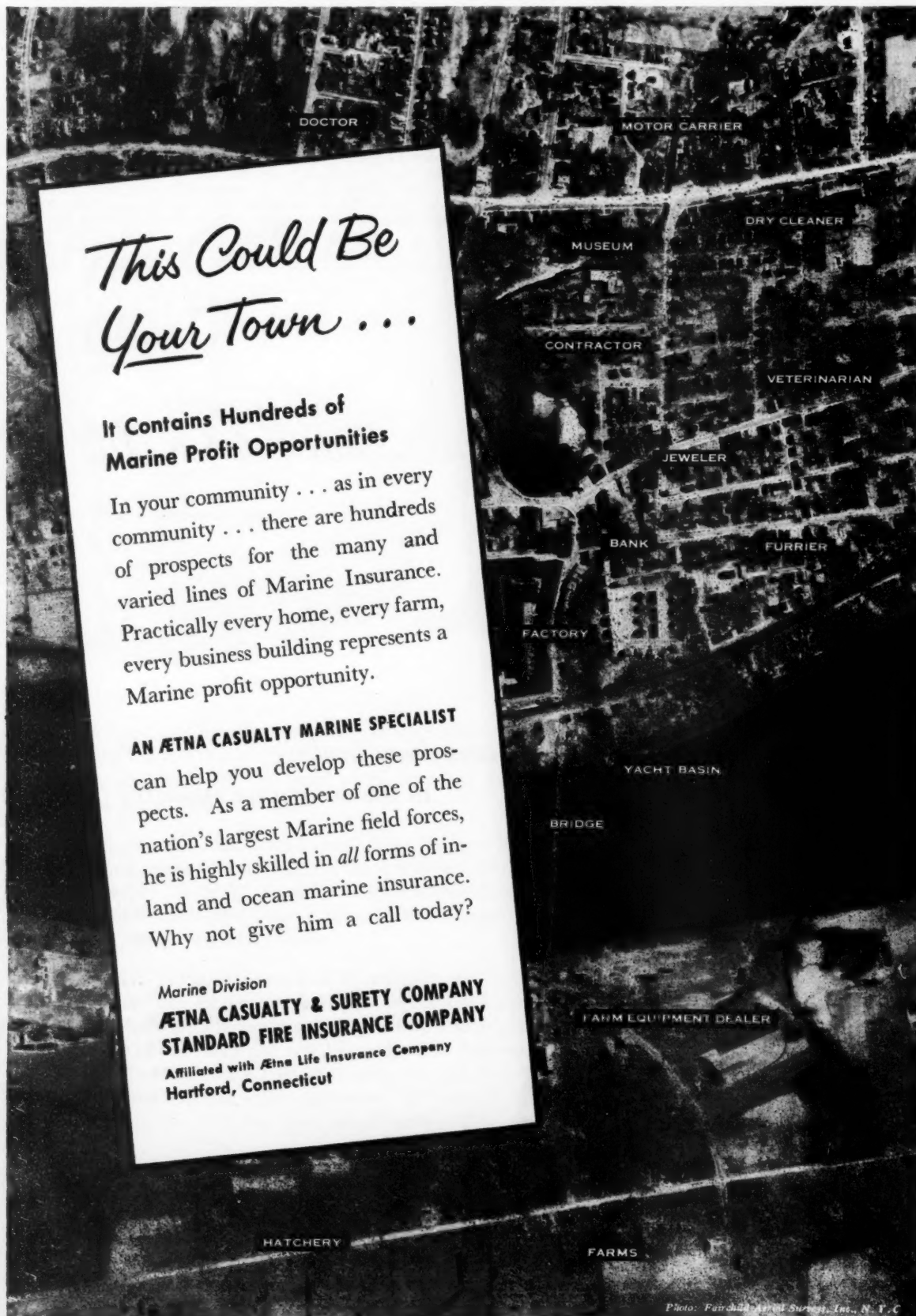


Photo: Fairchild Aerial Survey, Inc., N. Y. C.

DECENTRALIZATION?

Is your organizational plan outmoded? Should you centralize or de-centralize? Our qualified counsel can help you. Your inquiry will entail no obligation.

CONSULTANTS

IN MARKETING AND MANAGEMENT FOR THE INSURANCE BUSINESS

FRANK LANG & ASSOCIATES
521 Fifth Avenue
NEW YORK 17, N. Y.
One North LaSalle St.
CHICAGO 2, ILLINOIS

Neumann To Head NAIA Ad Program

Joseph A. Neumann, Jamaica, N. Y., past president of National Assn. of Insurance Agents, has been appointed chairman of the NAIA advertising committee for the 1959 campaign. He succeeds Alan H. Miller of Hackensack, N. J., who headed the program from its inception.



In accepting the chairmanship at the quarterly executive committee meeting of NAIA at New York, Mr. Neumann called upon all members to invest in their business by participating in the campaign.

Fund Raising Will Be Urged

During the next two months, he said state associations will be urged to set up strong fund raising organizations reaching down to the local board level and individual workers in the boards. The actual collection period, he indicated, is expected to start Sept. 1 and run through until the end of December. If sufficient funds are on hand at that time, the advertising campaign will begin in late January.

At the midyear meeting of NAIA the state directors approved a program up to \$2 million in scope. In addition, they voted to allow the states to be reimbursed 5% of funds collected from their members for this program. State organizations have

Burr Elected V-P Of Aetna Casualty

Aetna Casualty has promoted Donald H. Burr from assistant vice-president to vice-president of the casualty division. He began at Cleveland in 1929 and later came to the home office in the special risk department. Appointed assistant secretary in 1951, he was advanced to secretary two years later and then was promoted to assistant vice-president in 1957.

Michigan Agents Urged To Be Active Politically

Michigan Assn. of Insurance Agents, in a current bulletin, has advised members to be more active in politics.

Conceding that agents should not necessarily become professional politicians or even run for office, the association urged that they be "represented on the policymaking bodies of local and of state government . . . or they should be more familiar with the people who are."

The bulletin itemizes fields where agents can play a useful part—the legislature, school boards, and precinct organizations. If unable to serve directly, agents are advised to build "respect and friendship" with their representatives in such political groups.

been urged to handle all of the collecting and record keeping involved in the project to reduce duplication of effort and to minimize errors.

To assist the states in this undertaking, Mr. Neumann said, copies of a sound movie will be made available. It is a complete 20 minute presentation of the 1959 advertising program.

WE OFFER:

Speed

ON

ADMITTED REINSURANCE

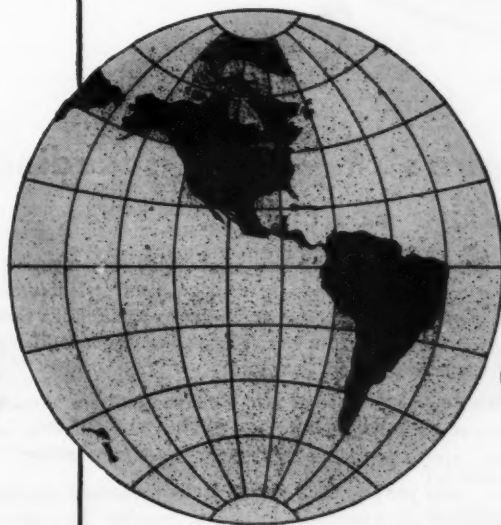
AS CASUALTY UNDERWRITERS
FOR THIS POOL OF COMPANIES

THE NORTHERN ASSURANCE COMPANY, LTD.
CITIZENS CASUALTY COMPANY OF NEW YORK
AMERICAN HOME ASSURANCE COMPANY

AGENCY MANAGERS LIMITED

BEN D. COOKE—MANAGING DIRECTOR
102 MAIDEN LANE • NEW YORK 5, N. Y.
Telephone: DIgby 4-1752 Teletype: NY1-4082

INTER



OCEAN

REINSURANCE

- Excess of loss
- Pro-rata
- Catastrophe

INTER



OCEAN REINSURANCE COMPANY • CEDAR RAPIDS, IOWA

A-1

NAIA Survey Probes Flat Cancellations

A national flat cancellation survey is being made during August by National Assn. of Insurance Agents. Survey forms have been mailed to more than 33,500 member agencies. The project is under the direction of Floyd L. Rice, Warren, Pa., chairman of the agency management committee.

The study has two parts. The first calls for information on policywriting, renewal procedure, collection policies, account selling practices, population

served and premiums written. The second is a compilation of the record of flat cancellations during August.

Indiana CPCUs Elect Dean

Donald Dean, City Securities, Indianapolis, has been elected president of the Indiana chapter of CPCU, and Richard K. Fowler, Indiana Lumbermen's, the outgoing president, becomes chairman of the board. Bernard G. Brissman, American States, is the new vice-president, and Mark Gray, an attorney, was reelected secretary-treasurer.

London Lloyds Reports On 1955-57 Results

Statements of London Lloyds prepared for the Board of Trade and reported in the July 28 London Times, shows £650 million in total income for the period 1955-1957. Lloyds accounting of each year is subject to a separate account which does not close until the end of the third year in respect to operations in the first year.

The Times points out that marine business is an important part of Lloyds while life is negligible. Of the £650

million income (which includes interest on underwriting funds), just less than £300 million was in marine and aviation, with £26 million in motor vehicle and only £150,000 in life insurance. The remaining £340 million is classified as other short term insurance coverages, that is, of less than five years. This includes the fire and general casualty accounts.

Because of the three year carryover, the 1957 statement gives the final results only for 1955, in which year's account the motor vehicle business produced the credit balance of only £103 thousand or more than £8 million in premiums. The marine, aviation and transit account earned a much higher profit ratio, the Times observed, with the credit balance under £6 million on premium income of £105 million.

Five West Coast Brokers Form Fifth For Service

Four western members of Insurance Service Assn. have joined with Cleverdon & Co., San Francisco, to open a new brokerage firm, Western Brokers, Inc. The new company will have headquarters in the Spreckles building at Two Pine street.

Western Brokers will be owned and managed by five of the oldest and largest brokerage firms in the west—Cleverdon & Co., San Francisco; Jewett, Barton, Leavy & Kern, Portland; LaBow, Haynes Co., Seattle and Anchorage; Luhrs agency, Phoenix, and Miller, Kuhrt & Cox, Los Angeles. Officers are William T. Cleverdon, president; Richard C. Wright, vice-president and secretary; and O. L. Cox, treasurer.

Insurance Service Assn. is a country-wide group of brokerage firms that have combined to furnish local services on a national scale.

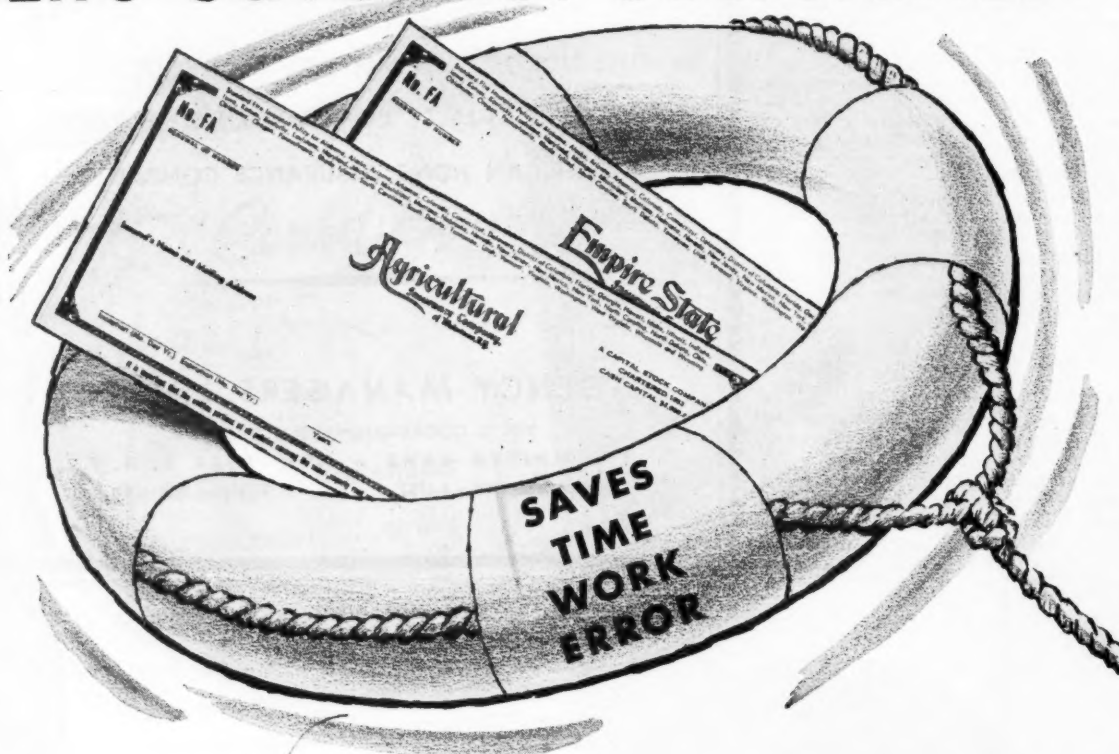
Benisch Heads N. J. CPCUs

Abner Benisch of the Jay, Schlesinger, Benisch & Lowy agency of Newark has been elected president of New Jersey CPCU chapter. Other officers are D. Thomas Fazio, National Surety, Newark, and Donald L. Anderson, Home, New York, vice-presidents; Peter A. Thistle, local agent of Englewood, secretary, and Mrs. Winifred E. Selliken of the DeLandy & Kipp agency of East Orange, treasurer. Frederick S. Applegate of Merrill, Applegate & Co. agency, South Orange, was elected a trustee.

Oregon Agents Name Hurford

Newberg (Ore.) Assn. of Independent Insurance Agents has named Robert F. Hurford president; Robert L. Rummer, vice-president, and G. Keith Hutchings, secretary-treasurer. Plans have been made for group advertising, fire prevention activities and a traffic safety campaign.

'Life-Saver' for Secretaries!

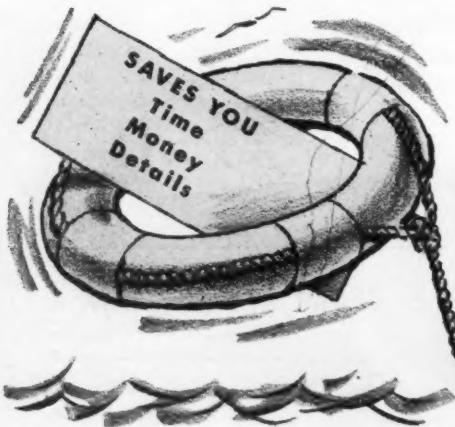


... "Ag-Empire's" new work-speeding Easy-Write Policies

It's the simplest, easiest-typing policy ever to enter the life of a busy gal (or agent). Policy, certificate and daily reports fastened "snap-out" style at bottom permits making corrections in the typewriter without sacrificing the time-saving "snap-out" feature. Unique short back reduces mailing weight. There's nothing quite like it for getting work out on time.

And there's nothing quite like the other extra helps you get from "Ag-Empire":—broad coverages, expert fieldman help, efficient claims handling, full promotion helps—everything you need for successful, profitable selling!

Yes, Mr. Agent... after you have filled out and mailed the coupon, the "Ag-Empire" man will bring you a sample policy and the complete "Ag-Empire" story. No obligation.



Agricultural
Insurance Company
of New York, Inc.

Friendly
Facts

Empire State
Insurance Company
of New York, Inc.

The Agricultural Insurance Co., Dept. N-858, Watertown, N. Y.
As a Quality Agent, I am interested in teaming-up with a Quality Company. You may contact me.

Name.....

Firm Name.....

Address.....



Audits for Casualty and Inland Marine Carriers

K. L. PEARCE COMPANY

PAYROLL AUDIT SERVICE

Payroll Audit Service—has the ability and getup to get the job done adequately.

Prompt Service—Payroll and other casualty audits by representative field auditors.

AGENCY CONTACT ALWAYS

HOME OFFICE: INSURANCE EXCHANGE Bldg.,
DES MOINES, IOWA • Phone CH 3-8849, CH 3-8840
IOWA, MINNESOTA, DAKOTA, NEBRASKA,
MISSOURI, ILLINOIS, WISCONSIN, INDIANA,
MICHIGAN, KANSAS, OKLAHOMA, COLORADO,
NEW MEXICO

1958 Argus Chart For A&S Published

The 1958 edition of the Argus Chart of Accident, Sickness, and Hospitalization Insurance has just been published by the National Underwriter Company. This new annual edition gives facts and figures for 932 insurers—27 more than last year. The financial statement information given includes operating reports, underwriting results, analyses of individual and group business—compiled from official reports to state insurance departments and special reports by the insurers.

Detailed analyses are given for five years for nearly 300 of the larger insurers. Included are the pertinent annual statement figures of the companies as a whole relating to financial stability and management results. The A&S results include the premium volume expressed in both written and earned premiums, with claims and expense figures and experience ratios. Individual business is broken down into accident, A&S, non-cancellable, and hospital-medical. Group premiums and underwriting results with ratios complete the financial exhibit. Miscellaneous data include the list of states and countries in which the companies operate, kinds of contracts issued, brokerage practices, number of branches, general agents, and agents, type of company, when formed, when it started writing A&S, and whether it is a member of Health Insurance Assn.

Summary figures are also given for 446 additional insurers. Included are assets, capital, surplus, premiums written and earned, claims incurred and expenses incurred for the past two years. In a special section, information is given concerning 85 Blue Cross plans, 74 Blue Shield plans, and 31 other hospital and medical-surgical insurers.

The chart's opening pages contain explanatory notes and definitions of the financial statement items shown in the statistical sections. Each item is defined and each definition carries a specific reference to the page and line number of the annual statement.

The Argus Chart for Accident, Sickness and Hospitalization, like its companions, the Argus Fire Chart and Argus Casualty-Surety Chart published a few weeks ago, sells singly for \$2.50 per copy and less in quantities. It is now being delivered from the reference book department of the National Underwriter Co., 420 East Fourth street, Cincinnati, and may also be obtained from any of its branch offices.

Finish Hearings On Ark. Insurance Code

LITTLE ROCK—Arkansas insurance code commission has completed hearings covering some 30 chapters of the state's tentative new insurance laws which the commission and its special counsel, Robert Williams, Seattle, drafted in the past five months. The hearings were for the purpose of giving information as to the purpose and intent of any provision to interested persons and to receive information and suggestions for the improvement of any sections.

Hearings Well Attended

The hearings were well attended by representatives of all segments of the insurance business. Among the organizations and groups represented were National Board, American Mutual Alliance, American Life Convention, National Assn. of Independent Insurers, Associated Reciprocity, North America as "an independent," Arkansas Farm Bureau Mutual Fire, Lloyds of London, and Arkansas Assn. of Insurance Agents.

Commissioner Combs, chairman of the commission, presided over the hearings. The four other code commissioners who sat through the paragraph-by-paragraph analysis of the new code, were: Louis Rosen, Little Rock local agent and past president of Arkansas Assn. of Insurance Agents; Edwin Jackson, assistant counsel National Old Line Life; M. J. Harrison, Little Rock insurance attorney and former Arkansas commissioner, president of the Passe Club International; and James I. Teague, Little Rock insurance attorney. The commission took all suggestions and comments under advisement to prepare the final code by Sept. 1 for recommendation to the legislature next January.

Commission Control Advocated

Among the highlights of the hearings were proposals that rates of credit life and disability insurance be regulated and that some means of controlling commissions on these classes of business be adopted. It was pointed out that out of some \$217,800 in earned premiums on individual credit life written by Arkansas domestic companies in 1955 and 1956, 62.76% went for commissions.

After numerous objections, particularly by Harold Wayne of Inland Marine Insurance Bureau, the commission agreed to eliminate a section which attempted to define "multiple

(CONTINUED ON PAGE 21)

✓ **Excess Coverages**

✓ **Reinsurance**

✓ **Surplus Lines**

✓ **Special Risks**

✓ **Long Haul**

CAPLIS-HIELSCHER, INC.

6469 N. Sheridan Road

Chicago 26, Illinois

ROgers Park 4-6000

Reinsurance . . .

TREATY

FACULTATIVE

CATASTROPHE

SPREAD LOSS

SURPLUS

EXCESS

QUOTA SHARE

SERVING

INSURANCE AND REINSURANCE

COMPANIES AND BROKERS

WHO DEMAND THE BEST!

Through long experience and thorough knowledge of Reinsurance, we are in the position to supply you the essential contracts tailored to meet your specific requirements.

Leonhart and Company, Inc.

SOUTH & WATER STREETS SARATOGA 7-3500
BALTIMORE 3

27 WILLIAM STREET HANOVER 2-6384
NEW YORK 5

For the Finest in Claims Service

JOHN H. HUNT & CO., INC.

INVESTIGATORS & ADJUSTERS

CHICAGO • ELMHURST • WAUKEGAN • GARY • JOLIET

ELMHURST, ILL. WAUKEGAN, ILL. GARY, IND. JOLIET, ILL.
118 SOUTH YORK ST. 215 WEST WATER ST. 1226 WEST 5TH AVE. 4 E. CLINTON ST.
TERRACE 4-9480 DELTA 6-8822 TURNER 2-9338 PHONE 25634

Main Office: 330 South Wells Street

Telephone HA 7-0830

Night Phone: Skokie, Ill., ORchard 5-3594

24-Hour Service

JOHN H. HUNT, President



State Farm Minn. Ads On "Paying Too Much" To Be A Court Issue

State Farm Mutual Auto has petitioned district court at St. Paul to set aside the order of Commissioner Sheehan ruling against the use in State Farm ads of the phrase "you may be paying up to 40% too much for your auto insurance." The company, the petition says, is being denied the right to engage in "legitimate, proper and

truthful advertising of its product and services."

On July 24 Mr. Sheehan ruled against the company on the phrase "paying too much" and similar phrases appearing in the Minnesota advertising. Rate comparisons listed in the State Farm petition show that annual premiums charged in Minnesota by many other companies range from 37.8 to 110.1% more than those of State Farm for the same coverages. Savings on a typical low price car range from \$30.20 to \$152.80, according to exhibits.

Commissioner Sheehan, at a hearing in his office July 21, conceded that the rate comparisons are accurate. His objection was limited to the words "too much," which, he contended, can be interpreted to mean that other companies are overcharging their policyholders, a practice forbidden by the state insurance laws.

State Farm claims that the words "too much" are used only "in the sense that the price of any product or service is too much if the substantial equivalent can be had for a lesser price."

Diagnosis Coverage Of Blues Assailed By New York Doctor

Dr. Herbert Berger, former president of the New York City district of the State Medical Society, has charged that the attitudes of Blue Cross and Blue Shield toward diagnostic coverage are unrealistic and are "an outstanding cause" of the impending rise in rates.

Blue Cross and Blue Shield, Dr. Berger said, fail to provide adequate diagnostic coverage, "in spite of the fact that diagnosis is fully one-half of the practice of medicine."

Blue Cross covers only certain diagnostic tests if they can be performed in a hospital, while Blue Shield pays no diagnostic costs, whatsoever. As a result, Dr. Berger said, many subscribers who are faced with expensive diagnostic tests insist that their physicians have them hospitalized.

Hospitalization is ostensibly for treatment in these cases, but the real purpose is for diagnosis, with Blue Cross footing the bill.

Dr. Berger explained that doctors agree to the arrangement because they fear the loss of patients or, as in many cases, because the physician wants to be sure that his charges receive proper medical care.

The practice, Dr. Berger said, was a waste of Blue Cross funds and a contributing factor toward hospital overcrowding. He said that Blue Cross should discontinue all coverage of diagnostic tests, whether they are made in a hospital or not.

"This is an improper area for Blue Cross to operate in, anyway," Dr. Berger said.

A Blue Cross spokesman maintained, however, that "not more than 10% of our hospital cases" are patients who might have undergone diagnosis in their physicians' offices. Whenever possible, he added, Blue Cross makes it a policy not to pay such claims when they are made and claims of this type account for less than 5% of the money they pay to hospitals.

The Blue Cross spokesman also said, "We're very happy to have Dr. Berger admit that doctors are, in effect, raising the cost of Blue Cross rates by needlessly hospitalizing patients. The doctors should be made to stop this practice."

Koseluk Is General F.&C. Burglary, Glass Head

General F.&C. has appointed Ronald A. Koseluk manager of its newly created burglary and glass division.

Mr. Koseluk was formerly with Yorkshire Indemnity.

Wm. H. McGee & Co., Inc.

MARINE UNDERWRITERS

111 John Street, New York 38, N.Y.

Atlanta Philadelphia
Baltimore San Francisco
Boston Seattle
Chicago Toronto
Columbus, O. Montreal
Dallas Cuba
Houston Porto Rico
Los Angeles Honolulu
New Orleans Trinidad B.W.I.

OCEAN MARINE
INLAND MARINE
HOMEOWNERS' COMPREHENSIVE
MANUFACTURERS OUTPUT
and similar covers



Sign of

Strength, Service, Dependability

**America Fore
Loyalty Group**

Member Companies:

THE CONTINENTAL INSURANCE COMPANY.....	Est. 1853
FIDELITY-PHENIX FIRE INSURANCE COMPANY.....	Est. 1853
FIREMEN'S INSURANCE COMPANY OF NEWARK, N. J.....	Est. 1855
NIAGARA FIRE INSURANCE COMPANY.....	Est. 1850
THE FIDELITY AND CASUALTY COMPANY OF NEW YORK.....	Est. 1875
NATIONAL-BEN FRANKLIN INSURANCE COMPANY.....	Est. 1866
MILWAUKEE INSURANCE COMPANY.....	Est. 1852
ROYAL GENERAL INSURANCE COMPANY OF CANADA.....	Est. 1906
THE METROPOLITAN CASUALTY INSURANCE COMPANY OF N. Y....	Est. 1874
COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J.....	Est. 1909

Sprague Heads U. S. Chamber Committee

Mortimer E. Sprague, vice-president of Home, has been appointed chairman of the insurance committee of U. S. Chamber of Commerce. He is also a director of the chamber, representing the insurance business.

Other new fire and casualty members of the committee are Robert Z. Alexander, president of American; Charles M. Botecher of the Mutual agency, Washington, D. C.; William Doyle, vice-president of Liberty Mutual; Paul W. Franklin, president of New London County Mutual of Norwich, Conn.; H. Stanley Goodwin of McKesson & Robbins, New York; Fred B. Helms of Helms, Mullins, McMillin & Johnston, Charlotte, N. C.; John W. Joanis, vice-president and general counsel of Hardware Mutuals of Stevens Point; H. Clay Johnson, deputy U. S. manager of Royal-Globe, Joy C. Ketchum, executive vice-president of Michigan Medical Service, Detroit; Guy E. Mann, vice-president of Aetna Casualty; Milton W. Mays, vice-president of America Fore; T. A. Monroe of the Magnolia agency, Magnolia, Ark.; James O. Nichols, president, American Foreign Insurance Association; and Rodney E. Piersol, vice-president of Alexander & Alexander, New York.



Mortimer E. Sprague

156 Complete Final Exams Of Institute

The requirements for the final certificate of Insurance Institute of America were completed by 156 persons in the examinations given May 26-28. The new award winners are from 36 cities throughout the U. S. Their certificates will be presented at local insurance group meetings or at the annual meeting of the institute in New York Nov. 18.

The over-all passing ratio for the A, B, and C examinations in May was 76%—862 examinations were taken by 687 persons. This is the highest passing ratio examinees have achieved under the revised educational program, which became effective in 1953.

The next series of examinations will be conducted next Jan. 26-28.

Insurers of Tennessee is conducting a drive for 125 new members to bring the total to 650 by Sept. 15. Tom B. Welsh of Memphis is membership chairman. Plaques will be presented at the annual convention at Memphis, Oct. 20-21, to the membership committeeman and to the field man signing up the most new members.

C. R. Bishop Appointed Kemper Ad Manager

Clive R. Bishop has been named advertising manager of the Kemper companies. He has been assistant advertising manager since 1954.

Before joining the Kemper group in 1946 he had been with Needham, Louis & Brorby advertising agency. In 1949 he was named a junior executive of the Kemper companies and became a senior executive the following year. He was elected assistant secretary of Lumbermens Mutual and American Motorists in 1956.

Decatur's Chances Of Survival Apparently Good

Chances of survival for Decatur, Ill., apparently are pretty good in the estimation of Louis J. Teeuwen, survival survey director for that city.

Upon completion of a survey for a 300-page plan intended to help Decatur survive a nuclear attack or natural disaster, Mr. Teeuwen seemed to think the situation was insurable and returned to his job as operator of a local agency there.

Exclude More Mid-East War Risk Hull Covers

British underwriters of war risk insurance on vessels have added Israel, the Gulf of Aqaba, Syria, and certain Persian Gulf ports to the excluded areas on all contracts arranged on or after July 23. Lebanon and Iraq had been previously excluded.

Rates Cut In Half

London insurers have cut in half war risk rates on cargos to Iraq and Lebanon. Directly after the Iraq revolution the rate went to five shillings per 100 pounds.

New NFPA Extinguisher Standards

Important changes in standards for the use of fire extinguishers have been issued by National Fire Protection Assn. Installation and maintenance recommendations in the 1958 edition of the NFPA pamphlet include a tightening up on the use of carbon tetrachloride-type fire extinguishers and insertion of recommendations on hydrostatic testing of carbon dioxide units.

Copies may be obtained from NFPA, 60 Batterymarch street, at 60 cents each.

Print Up Second Edition Of Battles Commission

Ideas; Woodbury Comments

National Assn. of Insurance Agents has printed a second edition of "The Agency System in Relation to Insurance Economics," the "primer" on commissions written by Robert E. Battles of Los Angeles, past president of NAIA. More than 40,000 copies have been distributed.

Louie E. Woodbury Jr. of Wilmington, N. C., NAIA president, comments that the Mr. Battles' book deals with bargaining on commissions within the industry. He goes on to state:

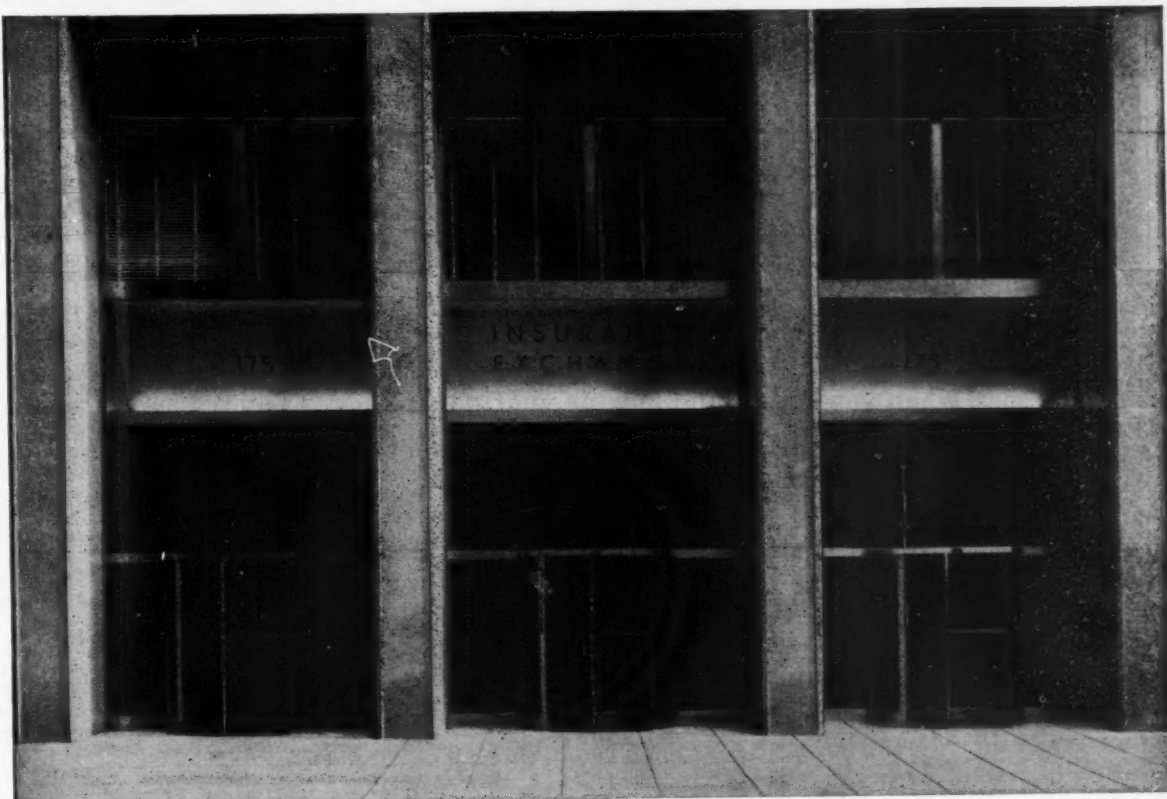
"It is recognized that the SEUA case in 1944 brought about a great change in the legal status of activities affecting commissions. The most recent development has been the situation involving possible anti-trust implications in California. In order to bring up to date the historical review of the subject, the recent activities of California Assn. of Insurance Agents have been reported in this primer.

"The report of those activities is entirely factual and is not intended to express any opinion whatsoever on the part of NAIA regarding the situation in California," Mr. Woodbury declared.

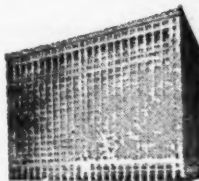
Seek Higher Va. Auto Rate

National Bureau of Casualty Underwriters and Mutual Insurance Rating Bureau have informed Virginia Corporation Commission that the recent 10% increase granted for automobile BI and PDL is inadequate. They had sought a boost of 24.9%.

The bureau said they would file a new application as soon as private passenger experience for 1957 becomes available late this fall. Coupled with the filing will be proposed general rate revisions for commercial cars and for garages, the proposed revision of territorial definitions previously withdrawn, and collateral changes in rating plans.



INSURANCE DOORWAY OF THE MIDDLE WEST



We believe more people pass regularly through the various entrances of the Insurance Exchange Building than through the doors of any other Chicago office building, and all but a relative few are there on insurance business.

The prestige of the building reflects the high standing of the industry it serves, plus discrimination in the selection of tenants, the natural advantages of a convenient location, and the determination of the owners and the management to provide commensurate facilities, service and amenities.

Chicago's Largest Office Building • America's Greatest Insurance Building

INSURANCE EXCHANGE BUILDING

175 WEST JACKSON BLVD.

L. J. SHERIDAN & CO., Agents

Telephone WAbash 2-0756

Salesman?

#5 in a series



JUST TRY HIM on your next special line. The Royal-Globe special representative will be your right hand man when you sell inland marine, marine, aviation, burglary and glass policies. He is also an expert on "package" policies. This multiple-threat performer on your local Royal-Globe mobile production team, the special representative, is another reason we can say

"TOPS IN EVERY SERVICE"



CASUALTY • FIRE • MARINE • SURETY

150 WILLIAM ST., NEW YORK 38, N. Y.

ROYAL INSURANCE COMPANY, LTD. • THE LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY LTD.
ROYAL INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • QUEEN INSURANCE COMPANY OF AMERICA
NEWARK INSURANCE COMPANY • AMERICAN AND FOREIGN INSURANCE COMPANY • THE BRITISH & FOREIGN
MARINE INSURANCE COMPANY LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD.

Convention Dates

- Aug. 10-13, West Virginia Assn. of Insurance Agents, annual, Greenbrier hotel, White Sulphur Springs.
- Aug. 20-21, Hoosierland Rating Bureau and A.B.C. Service Bureau, annual, Marott hotel, Indianapolis.
- Aug. 20-23, Federation of Insurance Counsel, Fairmont hotel, San Francisco.
- Aug. 21-23, Louisiana Assn. of Mutual Insurance Agents, annual, Edgewater Gulf hotel, Edgewater Park, Miss.
- Aug. 21-23, Montana Assn. of Insurance Agents, annual, Northern hotel, Billings, Mont.
- Aug. 21-23, Texas Assn. of Mutual Insurance Agents, annual, Hilton hotel, San Antonio.
- Aug. 24-28, Section on insurance negligence and compensation law, American Bar Assn., Ambassador hotel, Los Angeles.
- Sept. 4-5, Conference of Mutual Casualty Companies, sales and agency conference, Conrad Hilton hotel, Chicago.
- Sept. 7-9, Pennsylvania Assn. of Insurance Agents, annual, Bedford Springs, Pa.
- Sept. 8, Vermont Assn. of Insurance Agents, annual, The Lodge, Smugglers Notch, Stowe.
- Sept. 8-9, New Jersey Assn. of Insurance Agents, annual, Traymore hotel, Atlantic City.
- Sept. 14-16, Minnesota Assn. of Insurance Agents, annual, Hotel St. Paul, St. Paul.
- Sept. 14-16, Washington Assn. of Insurance Agents, annual, Chinook hotel, Yakima.
- Sept. 16-18, Wisconsin Assn. of Insurance Agents, annual, Schroeder hotel, Milwaukee.
- Sept. 16-19, Mutual Loss Managers' Conference, annual, Statler hotel, New York City.
- Sept. 17-19, Michigan Assn. of Insurance Agents, annual, Pantlind hotel, Grand Rapids.
- Sept. 17-19, Oregon Assn. of Insurance Agents, annual, Multnomah hotel, Portland.
- Sept. 19-20, Utah Assn. of Insurance Agents, annual, Utah hotel, Salt Lake City.
- Sept. 22-24, International Claim Assn., annual, French Lick Springs hotel, French Lick, Ind.
- Sept. 22-25, Assn. of Superintendents of Insurance of the Provinces of Canada, annual, Empress hotel, Victoria, B. C.
- Oct. 1-3, Society of CPCU annual, Roosevelt hotel, New Orleans.
- Oct. 5-8, Conference of Mutual Casualty Companies, annual, Chalfonte-Haddon Hall, Atlantic City.
- Oct. 5-8, National Assn. of Mutual Insurance Companies, annual, Chalfonte-Haddon Hall, Atlantic City, N. J.
- Oct. 6-7, Conference of Actuaries in Public Practice, Morrison hotel, Chicago.
- Oct. 6-8, National Assn. of Insurance Agents, annual, New Orleans.
- Oct. 12-15, National Assn. of Casualty & Surety Agents and National Assn. of Casualty & Surety Executives, Greenbrier hotel, White Sulphur Springs, W. Va.
- Oct. 17-18, New Mexico, Insurers, annual, LaFonda hotel, Santa Fe.
- Oct. 19-21, Illinois Assn. of Insurance Agents, annual, Morrison hotel, Chicago.
- Oct. 19-21, Maryland Assn. of Insurance Agents, annual, Emerson hotel, Baltimore.
- Oct. 19-21, Missouri Assn. of Insurance Agents, annual, Coronado hotel, St. Louis.
- Oct. 20-21, Arizona Assn. of Insurance Agents, annual, Pioneer hotel, Tucson.
- Oct. 20-21, Insurers of Tennessee, annual, Claridge hotel, Memphis.
- Oct. 20-22, Western Underwriters Assn., annual, Greenbrier hotel, White Sulphur Springs, W. Va.
- Oct. 20-22, National Assn. of Mutual Insurance Agents, annual, Commodore hotel, New York City.
- Oct. 22-24, Kansas Assn. of Independent Insurance Agents, annual, Broadview hotel, Wichita.
- Oct. 23-25, Colorado Insurers, annual, Broadmoor hotel, Colorado Springs.
- Oct. 26-28, Missouri Assn. of Farm Mutual Insurance companies, annual, Governor hotel, Jefferson City.
- Oct. 26-28, Ohio Assn. of Insurance Agents, annual, Columbus.
- Oct. 27-29, California Assn. of Insurance Agents, annual, Sheraton-Palace hotel, San Francisco.
- Oct. 27-29, Health Insurance Assn., individual insurance forum, Drake hotel, Chicago.
- Oct. 28-29, Massachusetts Assn. of Insurance Agents, annual, Sheraton Plaza hotel, Boston.
- Oct. 28-29, South Carolina Assn. of Insurance Agents, annual, Francis Marion hotel, Charleston.
- Nov. 6-7, Kansas Assn. of Mutual Insurance Companies, Newton.
- Nov. 20, Insurance Federation of New York, annual, Waldorf-Astoria, New York City.
- Nov. 20-21, Conference of Mutual Casualty Companies, accounting and statistical, office methods, and personnel conferences, Conrad Hilton hotel, Chicago.

Under-insurance threatens your future

Recent data on fire losses reveal that a surprisingly large proportion of property owners didn't carry enough insurance.

Not only does this mean that much needed insurance isn't being written, but that a loss suffered by an under-insured client may well cost you future business.

What to do? Let an unbiased third party determine the valuation of your client's assets in order to secure proper insurance protection.

For 63 years The American Appraisal Company has been providing the basis for sound insurance programs—through careful, complete and objective appraisals, supported by facts that will stand investigation.

American Appraisal reports for your clients are good protection for you.

LEADER IN PROPERTY VALUATION

The AMERICAN APPRAISAL Company®

Home Office: Milwaukee 1, Wisconsin
Offices in 18 cities coast-to-coast

Facilities For
MALPRACTICE
&
GENERAL LIABILITY
PRIMARY EXCESS

Inquiries Invited

Wm. K. O'Connor & Co.

53 West Jackson Blvd.
Chicago 4, Ill.
HARRISON 7-1721

"SERVICE THAT SATISFIES"

ALLEN, MONTGOMERY & THATCHER
INSURANCE PAYROLL AUDITORS and INSPECTORS
3423 FULLERTON AVE.
CHICAGO 47

Curb Legal Stake In Awards, Lawyer Urges; Says Contingent Fee Lowers Standards

Pat H. Eager Jr., Jackson, Miss., attorney who opposes certain current contingency fee abuses, has asked if a client is awarded \$100,000 for the loss of a leg, is his lawyer entitled to one-half? "If so, the client winds up with one-half of his legs and one-half of his money, while the lawyer keeps the other half of the money and still has two good legs. In my book that lawyer has one leg too many."

Mr. Eager spoke at the annual convention of International Assn. of Insurance Counsel at White Sulphur Springs, W. Va. His discussion was confined to common law tort actions.

He contended that in all except very exceptional cases, and particularly where the amount involved is substantial, a 50% contingent fee is unconscionable. It is frowned upon by society and should be frowned upon by the legal profession. He believes that the lawyer's remuneration should be in proportion to the services he renders.

In a minority, but nevertheless a substantial number of cases, the temptation of too great a contingent fee tends to lower legal standards, he observed. The fee is here to stay, he agreed, and is good when it assists an otherwise helpless litigant to secure his just rights and bad when it deprives him of a substantial part of the compensation for his injury.

Attorney's Fees Were Studied

Mr. Eager referred to an extensive study of attorney's fees by Jaro Mayda of the law faculty of University of Puerto Rico. Professor Mayda noted: "The analysis of jury decision making brought out direct relations between some damage awards and the awareness of jurors and judges that a considerable slice of the award will go to the winner's attorney." This study will be published by University of Chicago law school where Professor Mayda was on the faculty when he undertook his research. This included questionnaires to jurors who had served in 30 negligence cases. Reports showed that in 29 of the 30 cases the verdicts were for the plaintiff, and that in the majority of cases the jury actually took into consideration the fact that a substantial part of the award would go to plaintiff's attorney. In 12 out of 21 cases the jury assumed a one-third contingent fee, Mr. Eager noted.

He said that the argument that the contingent fee is fully justified be-

cause of the risk the lawyer undertakes with respect to financial outlays and the chance of no recovery has now become obsolete. The odds on the defendant's success today would be just about the same as on Silky Sullivan if he were to run the Kentucky Derby again tomorrow, Mr. Eager observed.

In his extensive investigation of the subject, he communicated with National Assn. of Claimants Compensation Attorneys, and was surprised to learn that there were no articles dealing with contingent fees in tort cases in the various NACCA law journals. On reflection he concluded that with regard to NACCA and its distinguished members the question is probably moot or "maybe just plain res adjudicata."

He also communicated with several NACCA members who have been unusually successful in representing plaintiffs in tort cases. One lawyer on the Pacific coast stated that his firm's usual contingent fee schedule calls for 25% without litigation, 33-1/2% with litigation, and 40% in the event of appeal. This was typical of replies from several other states. Mr. Eager said these percentages appear reasonable except where the settlement or judgment gets into the top brackets—which is currently no rarity. When it hits \$100,000 or more, 40% as a contingent fee is getting into the realm of the unconscionable, in the view of the average layman. In this connection Mr. Eager recalled an article in the Saturday Evening Post several years ago on ambulance chasing and its evils.

He contended that the usual plaintiff's tort case is a cinch to try. Witnesses are willing and cooperative and everybody in the courtroom is sympathetic and hoping for a good financial recovery. Many jurors have frankly admitted after trial that their verdict was simply the result of sympathy and sometimes the assumption of the existence of insurance to pay the judgement. He said that in his 40 years of practice his batting average for plaintiffs in tort cases has been 1,000%, and for defendants has been on a par with the worst hitter in the National League.

Mr. Eager did not agree with an opinion that the only fair criticism of the contingent fee is that on rare occasions a lawyer has forgotten his high calling and over-reached, whereupon courts have not failed to see

that justice was done. He said there have been such abuses where nothing was subsequently done to correct them. He placed lawyers guilty of such practice in a small minority group.

He cited a questionnaire to 176 attorneys experienced in negligence cases, sent out by Institute of Judicial Administration, New York City. One reply by a Minnesota lawyer noted that a rather cursory examination in the Minneapolis-St. Paul area disclosed that law firms representing insurance companies do better money-wise than those representing plaintiffs. This lawyer believes that 33-1/2% is a fair fee which should be standardized throughout the country, and that 50% is too high.

A Mississippi attorney stated that the average lawyer in his state looks

forward to a damage suit as a bonus that will pay him adequately for his time and effort. However, he differed with the Minnesota lawyer on the greater prosperity of insurance company lawyers. He said "there is so much free work demanded of an attorney, and insurance companies require so many reports for a small fee that the overhead cuts down on the net amount recovered. We do not think there is any chance of changing the 33-1/2% contingent fee, if a case is amicably settled, and 50% if it is litigated."

A South Carolina lawyer was of the opinion that charges made by attorneys in tort cases are almost a national scandal. He thought that trial judges should rule on all contingent fees as do U. S. district judges in federal tort claim cases.

MOTOR'S CRASH BOOK SERVICE

all the information
you need to make fast,
accurate, appraisals of
auto collision damage.

1 SPEEDS ESTIMATING TIME. Estimates can be made or checked faster with Motor's easy-to-read, easy-to-use CRASH BOOK SERVICE MANUAL than with any other pricing system.



2 FREQUENT, PROMPT, UP-TO-DATE REVISION SERVICE on parts prices and flat rates make for more accurate, on-the-spot appraisals.



3 MAKES PARTS IDENTIFICATION EASY. Supplies the greatest available number of parts pictures, frame dimensions and major assemblies . . . plus complete information for identifying car models and body styles.



Write today, for full information — to:

MOTOR CRASH BOOK SERVICE

250 West 55th Street, New York 19, New York
PUBLISHED BY THE HEARST CORP.

REINSURANCE

Through Intermediaries Only

FIRE—CASUALTY

THE STUYVESANT INSURANCE COMPANY

Executive Offices
1105 Hamilton St., Allentown, Pa.
HEmlock 5-3541

Reinsurance Department
309 West Jackson Bld., Chicago 6
WABash 2-7515

1957 Workmen's Compensation Results For Insurers Licensed In New York

Countrywide workmen's compensation experience in 1957 of New York entered companies is shown in the adjoining columns as compiled by the New York department for its 1957 loss and expense ratios.

Incurred losses are based on case estimate reserves and exclude allocated claim expenses. Expense ratios include both allocated and unallocated claim expenses. Figures are net after reinsurance. All ratios are based on earned premiums (indicated "E") except commission and brokerage and taxes not include federal income tax, and the net gain is before such tax. Companies are not shown which had a premium volume of less than \$10,000. Where groups filed consolidated expense exhibits, no results are shown for individual insurers in those groups.

NAIA Follows False Group Plans Closely

At the quarterly executive committee meeting of National Assn. of Insurance Agents in New York City, Morton V. V. White of Allentown, Pa., reported that the presentation of the NAIA position on fictitious groups before National Assn. of Insurance Commissioners meeting in Chicago had been most effective. He said that agents are now thoroughly alerted to the problem and are notifying NAIA as fast as they discover these various plans.

Maurice G. Herndon, Washington representative, told the committee that NAIA had been represented by Walter M. Sheldon of Chicago, past president, at meetings with Department of Defense and General Accounting Offices. He read portions of a letter from Mr. Sheldon concerning Department of Defense policy on insurance for aircraft in the open, which is at variance with the administration's repeated policy of removing the federal government from competition with private business.

A report on the agency management committee activities was made by Chairman Floyd Rice, Warren, Pa., and Lawrence Smith, NAIA director of education. Mr. Rice said that studies of 31 of the 116 agencies selected in New York state had been completed in the agency cost survey.

Connecticut Survey Noted

Mr. Smith said a survey is now under way in Connecticut using a new method of random selection of agencies and that the New York survey is being revised along similar lines.

Reports were also made on the flat cancellation survey, which has covered cities as well as states, and which will pin down the result to strict geographical locations.

The committee voted to accept the invitation from Chicago Board to hold the annual convention in that city in 1963 and the invitation of New York City Assn. of Insurance Agents to meet in New York in 1964.

Close New Jersey Bank

Commissioner Howell of New Jersey, who is also bank commissioner, has closed the Manufacturers Bank of Edgewater after disclosing that some \$150,000 in notes among its assets had been questioned. Federal Deposit Insurance Corp. moved in to pay depositor claims up to \$10,000. American Surety had the bond on the bank.

The notes were said to be on loans to companies controlled by Earl Belle, 26-year-old financier, now in Argentina. Trading in Cornucopia Gold Mines, one of his concerns, has been ordered suspended by American Stock Exchange.

Sutton F.&D. Contract Head; Three Advanced

Fidelity & Deposit has advanced Franklin W. Sutton from assistant manager to manager of the contract department. Charles A. Brundrett and Paul J. Plunkett have been named assistant secretaries of the company. John K. Burkley Jr. has been appointed a division superintendent.

Mr. Sutton has been in the contract department since 1920. Mr. Brundrett joined the company in 1928 at the head office, became manager of the judicial department at New York and returned to the contract department in 1951. Mr. Plunkett has been with F.&D. since 1946 and in the contract joined F.&D. in 1938 at the home office and was later special agent at Indianapolis and at Dallas. In 1954 he was appointed assistant manager at Cincinnati. He returned to the home office in 1957.

Two Advanced At N.Y.

Maryland Casualty has appointed Samuel M. Williams Jr. resident manager at New York. He has been assistant manager and manager of the bonding department for the last six years, and will continue to report to Stephen Bedell, resident vice-president. Virgil W. Zanone has been appointed manager of the casualty department.

Mr. Williams joined the company in 1942 at Newark as assistant resident manager and bonding manager. He is president of Surety Managers' Assn. of New York.

Mr. Zanone has been with the company since 1937, and for the past 10 years has been manager of the compensation and liability department in New York.

Va. Agents Plan School

Virginia Assn. of Insurance Agents will hold the annual stock insurance institute at University of Virginia, Aug. 18-20.

An introductory course will be given, followed by the agents' qualification examination. A life qualification course will be introduced. Both the fire, casualty, surety and marine, as a unit and both examinations can be taken without conflict.

Inland marine will be featured in the intermediate schedule. The advanced group will take a survey course in competitive analysis and will consider current and probable developments in the business.

Associated Insurers, Raleigh, N. C., agency, has appointed W. S. Haines, vice-president for underwriting, and T. A. Williams Jr. vice-president for production.

COMPANY	Net Premiums written (Countrywide)	Net Premiums earned (Countrywide)	Underwriting Ratios (Countrywide)			Analysis of Expenses (Countrywide)				
			Losses incurred	Expense (adjusted)	Net gain (adjusted)	Loss adjustment	Commission and brokerage	Other acquisition costs	General	Taxes and other
Stock Companies										
Atlas Casualty and Surety	49,417,888	50,456,134	82.4	35.9	1.7	8.8	10.3	2.1	9.4	8.3
Atlas Insurance Group	4,146,292	4,146,292	82.4	35.9	1.7	8.8	10.3	2.1	9.4	8.3
Agricultural Group	203,327	203,327	82.4	35.9	1.7	8.8	10.3	2.1	9.4	8.3
Alliance Assurance	1,154,523	1,092,282	84.6	48.8	-14.6	11.6	14.4	3.1	13.8	25.4
American Fire Group	27,908,361	27,711,780	84.9	48.8	-2.8	13.8	12.8	3.9	10.8	8.4
American Casualty, Bonding Group	4,601,110	4,838,771	57.4	37.4	4.8	9.1	15.1	4.6	7.4	8.4
American Employers	7,765,257	6,643,088	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
American Fidelity & Casualty	709,416	6,340,427	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
American Home Assurance	941,022	798,223	84.9	40.8	-12.9	7.3	18.1	1.7	8.4	8.4
American Insurance Group	13,925,885	13,949,469	81.8	46.7	-8.8	10.3	12.8	3.9	10.8	8.4
American Motorists	7,009,142	7,009,142	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
American Policyholders	140,313	7,089,142	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
American Surety Group	8,010,321	8,732,723	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Birmingham Fire & Casualty	1,011,187	4,026,387	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Boston Group	2,318,748	2,318,748	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
British American Assur.	44,048	44,048	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Buffalo	44,048	44,048	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Calumet-American	44,048	44,048	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Canadian Fire Ins. Assn.	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Citizens Casualty of N. Y.	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Columbia Casualty Group	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Continental Casualty	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Equity Fire & Marine	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Employers' Fire	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Employers' Liability	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Federal	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Fireman's Fund Company	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
General of America	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
General Accident Group	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
General Fire & Casualty	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Fire Group	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Indemnity	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Insurance	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Mutual	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Surety	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Union	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Workers	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Young	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zenith	1,011,187	1,011,187	84.9	37.4	4.8	9.1	15.1	4.6	7.4	8.4
Great American Zephyr	1,011,187	1,011,187	84.9	37.4	4.8					

Accident & Sickness

N. Y. Says Newspaper Can Sell Accident

The New York department has ruled that the sale of National Casualty's accumulative accident policy by the Brooklyn division of the New York World Telegram & Sun does not violate state law.

The ruling followed a complaint by Greater New York Insurance Brokers Assn., which was rejected on the ground that more than 40 employees of the paper are licensed agents of National Casualty. The department also held that the newspaper does not provide the insurance as an inducement for the purchase of the paper and/or in combination with the sale of a newspaper.

The policy is similar to those formerly issued in connection with financed car purchases. It covers both minor and major accidents and has loss of life benefits from \$500 to \$10,000 based on a schedule of the manner in which injury or death is sustained.

A&S Agent Urges Proper Rates For N. Y. Blue Cross

Oakley Baskin, president elect of International Assn. of A&H Underwriters, appeared at a department hearing in Buffalo last month to help Blue Cross in western New York obtain increased rates. This action for an agent's organization is almost unprecedented.

Mr. Baskin, associate manager of B. F. Helmbrecht agency in Buffalo of Mutual Benefit H.A., said his testimony was in line with a new policy toward Blue Cross adopted at the annual convention of IAAHU in Los Angeles at which a resolution called for, among other things, sound financial principles in the operation of Blue Cross because lack of them would reflect on the entire industry. The resolution also urged a uniform system of costs to all users of insurance or service plans.

Testimony Cites "Reserve"

In his testimony, Mr. Baskin maintained that the hospitals can no longer operate as a "reserve" for Blue Cross because even a small deficit on the present high number of Blue Cross patients would represent a serious loss to hospitals. He commented that failure of the hospitals to get from Blue Cross the full cost of the service to the patient forces the hospitals to recover the difference from the balance of its patients, an inequitable procedure.

Palmer Of Ind. Urges States Control Hospitals

State regulation of hospital rates was urged as an alternative to possible federal control by Commissioner Palmer of Indiana in a prepared paper read before Indiana hospital association officials of Indianapolis.

Mr. Palmer declared that the cost of hospital service has become so high that hospitalization insurance is in danger of being priced out of the market. Most of the seven other speakers on the program also complained about hospital rates.

"So far as concern over the state of Indiana taking such action," Mr. Palmer declared, "it is far better that our state does it rather than that we let conditions be a cause for federal control, with socialized medicine as an inevitable part of the program."

He named four ways in which hospitals could cut prices: (1) Cease admitting those who can be treated outside the hospital; (2) release patients as soon as they are able to leave; (3) eliminate loading board and room rates with expenses of nurses training. (4) stop budgeting for depreciation on buildings constructed with publicly-subscribed funds.

Rate Increases Approved For Ohio Blue Cross

Ohio Superintendent Vorys has approved rate increases ranging from 55 cents to 85 cents per month for Central Hospital Service Assn. of Columbus (Blue Cross) and also authorized the group to issue new coverages.

Mr. Vorys authorized the association to convert all direct-pay contracts from \$25 deductible basis to an 80/20 basis with no change in rates. New optional benefits authorized include:

1. Nervous and mental illnesses, alcoholism, and drug addiction, Full basis, individual rates will be 50 cents a month; family rates will be 95 cents; on 80/20 basis contracts, individual rates will be 35 cents per month and family rates 70 cents.
2. Infant care (birth to 90 days), 10 cents per month.

Mrs. Jackman Promoted By Hearthstone To Assistant Sec.

Mrs. Charlotte Jackman has been appointed assistant secretary of Hearthstone of Boston, of the combined of Chicago group. Mrs. Jackman joined Hearthstone as a clerk-typist in 1954. She subsequently became private secretary to Mrs. Vivian Beldger, vice-president.

Fireman's Fund Names Kenneth King A&H V-P

Kenneth T. King has been appointed assistant vice-president in charge of Fireman's Fund A&H operations. His headquarters will be in San Francisco.

Mr. King was an organizer and former sales manager of Horace Mann Mutual Casualty and Horace Mann Life, and was recently with Continental Casualty as resident vice-president in charge of western states A&H business.

Blue Cross Rate Rise In Maryland Set For Oct. 1

Commissioner Jackson of Maryland has set Oct. 1 as the effective date of the recently approved 13.9% boost in Blue Cross rates.

Maryland Hospital Services, operators of the medical care plan, originally requested approval for a 22.3% increase. Commissioner Jackson said that he slashed the increase because of what he called "unnecessary hospital usage" under the plan.



Hunters enjoy the sport — but they do need protection against the high cost of hunting accidents.

American Casualty's Hunters Tripmaster Policy is a necessity for millions of active sportsmen. The hunter can select the amounts of protection he needs — from \$5,000 to \$50,000 Accidental & Death & Dismemberment; \$500 to \$5,000 Accident Medical Expense — and from \$100 to \$1,000 insurance on hunting equipment and baggage. Policies may be issued for periods of 1 day to 6 months.

American Casualty will be happy to show you why Hunters Tripmaster has become the favorite policy with producers and public alike. Complete and mail the coupon for full details.

AMERICAN CASUALTY
COAST-TO-COAST BRANCH OFFICE SERVICE

AMERICAN CASUALTY CO., Reading, Pa.

Please send details on the HUNTERS TRIPMASTER POLICY.

Name _____

Address _____

City _____ State _____

"Service Beyond The Treaty"

Intelligent Reinsurance Analysis

FIRE • CASUALTY • TREATY • FACULTATIVE

REINSURANCE

Agency Inc.

CHICAGO 6, ILLINOIS • 309 W. JACKSON BLVD. • WABASH 2-7515



...and so you see, Frank,
P. N. is different, progressive, and
profitable for producers.



PACIFIC NATIONAL INSURANCE GROUP

PACIFIC NATIONAL FIRE INSURANCE COMPANY
MANUFACTURERS CASUALTY INSURANCE COMPANY

San Francisco, California • Philadelphia, Pennsylvania • Skokie, Illinois • Atlanta, Georgia

Citizens Life

INSURANCE COMPANY of NEW YORK

PARTICIPATING AND NON-PARTICIPATING

General Agencies available
in many states

HOME OFFICE

33 MAIDEN LANE, NEW YORK 38, N. Y.

Institute Typifies Availability Of Help

(CONTINUED FROM PAGE 6)

unable to care for themselves back on their feet.

Compensation insurers noted this trend to longer life expectancy a number of years ago. It was the problem of considerably increased cost which had as much to do as humanitarian motives in prompting Liberty Mutual to enter the rehabilitation field. That company is still the leader in making use of rehabilitation.

Rehabilitation Institute of Chicago is supported by donations of individuals and corporations as well as from its fees. It has just completed an expansion program which provides 72 beds for patients and facilities for 75 outpatients. This is estimated to be about one-third of what it needs in the Chicago area. The institute does not handle vision or hearing cases, or alcoholics or mental problems.

Must Provide Motivation

Drs. Chivers and Michela point out that one of the most important matters in dealing with disabled persons is to provide motivation for them to want to recover and assume a reasonably normal role in life. Once the patient is prepared mentally, the next question is the cost of putting him back on his feet, and the institute attempts to define this at the outset of the case.

There have been spectacular successes in rehabilitation, but Dr. Chivers and Dr. Michela emphasize that they are few and far between and are not representative of what the program is designed to do. That is, rehabilitation is needed in many more cases than are currently attempted. The level on which insured corporations and insurers feel employees should be rehabilitated is still too high, they feel. It is not the severity of the case itself that is the criteria; for example, an employee may have a disabled arm that can produce a mental problem and make him accident prone. Treatment of the arm or use of an appliance may eliminate the trouble and produce the double benefit of solving the individual's personal

problem and eliminating a possible accident and the need for increased compensation rates.

Another item stressed by the doctors is the need to begin rehabilitation before the individual's disability becomes a mental problem in itself. If there is too much delay, extra effort has to be put forth to get the patient to want to recover even before starting to help him do so.

About 22% of the patients using the Rehabilitation Institute of Chicago are supported by insurance companies, most of the remainder coming from self-insured corporations. The latter is partly explained by the fact that Dr. Chivers formerly was medical director of Crane Co. of Chicago.

Assn. of Casualty & Surety Companies published a pamphlet recently in connection with the President's Committee on Employment of the Physically Handicapped, pointing out there is no penalty in compensation rates for hiring handicapped workers but that there is, however, a penalty for workers who become handicapped on the job, and the penalty is even more severe if the workers are allowed to remain out of action when rehabilitation might, if used consistently, get employees back on the job or back into economic life more promptly.

WHERE TO PLACE YOUR BUSINESS

A guide or directory of responsible and adequately equipped local agents. These offices have nation-wide facilities for handling your out-of-state business.

FLORIDA



33 YEARS
of rendering preferred
service to non-resident
AGENTS - BROKERS
STATE WIDE FACILITIES
115 N. Olive
West Palm Beach, Fla.

GEORGIA

Dudley L. Moore, Insurance
Specializing in assisting agents
in placing unusual lines.

(Foreign and Domestic Markets)
Atlanta Federal Savings Bldg.
Atlanta 3, Ga. JA 5-7455
Title Bldg. Gurney Bldg.
Birmingham, Ala. Orlando, Fla.

ILLINOIS

CRITCHELL-MILLER INSURANCE AGENCY

Established 1868
Insurance Exchange Building
CHICAGO

Moore, Case, Lyman & Hubbard

General Agents
175 W. JACKSON BLVD.
CHICAGO
WAbash 2-0400

WISCONSIN

Chris Schroeder & Son, Inc.

210 E. Michigan St., MILWAUKEE
Engineering Services—All Lines
The largest insurance agency in the
State of Wisconsin

Announce Staff Of Teacher Assn. Journal

The 1958-59 staff of the "Journal" of American Assn. of University Teachers of Insurance has been announced by William Beadles, dean of Illinois Wesleyan University and president of the association.

John Bickley, Ohio State University, will serve as editor, with E. B. Larson, Illinois Wesleyan, as business manager. Book review editor is William Howard, University of Florida; periodical review editor, E. S. Overman, American Institute. Mark R. Green, University of Oregon, will serve as administrative editor.

Assistant editors will include O. D. Dickerson, Florida State University; Philip Elkin, Temple; and John Long, Indiana University.

Members of the editorial board will be Richard Heins, University of Wisconsin; Grant Osborn, Arizona State; Joseph Trosper, Southern Methodist; Michael Wermel, Cal Tech; and C. Arthur Williams Jr., University of Minnesota.

The "Journal" is published quarterly and is devoted to articles, studies, and reports of academic interest.

Stanley H. King has retired as a partner in Boit, Dalton & Church, Boston general agency, after 30 years. He was honored by 80 associates at a dinner in the Algonquin Club.



The Pioneer Organization

COATS & BURCHARD COMPANY

APPRAISERS

4413 Ravenswood Avenue
Chicago 40, Illinois

- Appraisals for Correct Insurance Coverage and Proof of Loss
- Depreciation Studies
- Property Ledgers

Service Guide

O'TOOLE ASSOCIATES Management Consultants to Insurance Companies

Established 1945
220-02 Hempstead Avenue
Queens Village 29, N. Y.

The LAWRENCE WILSON COMPANY Managing General Agents SURPLUS LINES—All FORMS Representing LLOYD'S LONDON First National Bank Building Tulsa 3, Okla.

ROBERT I. BUSHNELL Management Consultant to Insurance Organizations Heydens Hill Road Fairfield, Connecticut Clearwater 9-8852

BOWLES, ANDREWS & TOWNE, Inc. ACTUARIES MANAGEMENT CONSULTANTS LIFE—FIRE—CASUALTY EMPLOYEE BENEFIT PLANS RICHMOND ATLANTA NEW YORK PORTLAND

CERTIFIED PERSONNEL SERVICE John J. Haggerty Suite 402 TR. 5-0666 900 Peachtree St., N.E. Atlanta 9, Ga.

Distinguished Awards

Brochure Free
Scrolls • Illuminated Resolutions
Certificates
Walnut • Bronze • Laminated Plaques
BEAUX ARTS ENGRAVERS
award specialists
30 No. La Salle St., Chicago 2, Ill. Dearborn 2-5242

WHITE & WHITE Inspection & Audit Service Offices in 18 Midwestern Cities Prompt—Efficient—Economical 629 East 71st Terrace Kansas City 10, Mo.

Mo. High Court Defines "Reasonable Care"

The amount of "reasonable care" which a tavern owner or his employees must exercise in protecting customers was clearly defined by the Missouri supreme court in a recent decision.

Judge Clem F. Storckman held that "the law does not demand that the defendant's employees risk their lives and the lives of others in the unequal task of trying to subdue and eject an infuriated patron armed with a loaded revolver and threatening to use it."

"As a general rule, the proprietor of a place of public resort is subject to liability to his business invitee for injuries inflicted by the acts of patrons or third persons if the proprietor by exercise of reasonable care should have known that such acts were being done and could have protected his customers by controlling the conduct of the other persons or by giving adequate warning."

"On the other hand," the ruling continued, there is no duty to warn a business visitor of a danger or defect which is as obvious and well-known to the patron as to the operator of the business."

The ruling upheld a suit in St. Louis in which Richard C. Gregorc was awarded damages of \$15,000 for injuries suffered when he was wounded by a bullet fired in a St. Louis cocktail lounge in an exchange of shots between a customer and a policeman.

Duke Is NFPA Chairman

T. Seddon Duke, president and director of Star Sprinkler Corp. of Philadelphia, has been named chairman of National Fire Protection Assn. to succeed the late Richard E. Vernor. He is a past president of National Automatic Sprinkler & Fire Control Assn., and since 1943 has been chairman of the sprinkler industry's special committee for government liaison. He has been active in NFPA for more than 30 years.

New board members are W. H. Berry, vice-president of America Fore Loyalty; Paul C. Lamb, safety administrator of Lever Bros. Co., New York; Jerome Lederer, managing director of Flight Safety Foundation of New York; William L. Miller, chief engineer of the Los Angeles fire department, and John H. Redmond, assistant vice-president of Koppers Co. of Pittsburgh.

Casualty Assn. Elects

America Fore Loyalty was elected to all committees of Assn. of Casualty & Surety Companies except the research advisory and the surety law committee, and Royal-Globe was elected to all except the latter two and the surety advisory and the membership committee.

Other committees and new members are: Executive—American Surety; blanks—Aetna Fire, North American Re, Reliance, and U.S.F.&G.; budget—Hartford Accident, and Indemnity of North America; claims bureau advisory—Ohio Farmers; law—Reliance; membership—Reliance; plate glass advisory—Aetna Casualty and Home Indemnity; research advisory—Aetna Fire, Connecticut Indemnity, and Reliance; surety advisory—American.

Newhouse & Hawley Names Marx

Richard C. Marx has joined the New York office of Newhouse & Hawley, excess and surplus line brokers, as an underwriter for casualty and marine, following his recent release from the navy. Mr. Marx was formerly with Lumley, Dennant & Co. and Lumbermens Mutual Casualty.



"My agency boss wants
all his reminders in writing"



Phoenix of Hartford INSURANCE COMPANIES

EXECUTIVE OFFICES: 61 WOODLAND ST., HARTFORD 15, CONN.

THE PHOENIX INSURANCE COMPANY THE CONNECTICUT FIRE INSURANCE COMPANY EQUITABLE FIRE AND MARINE INSURANCE COMPANY
MINNEAPOLIS FIRE AND MARINE INSURANCE COMPANY RELIANCE INSURANCE COMPANY OF CANADA

ALL FORMS OF INSURANCE EXCEPT LIFE

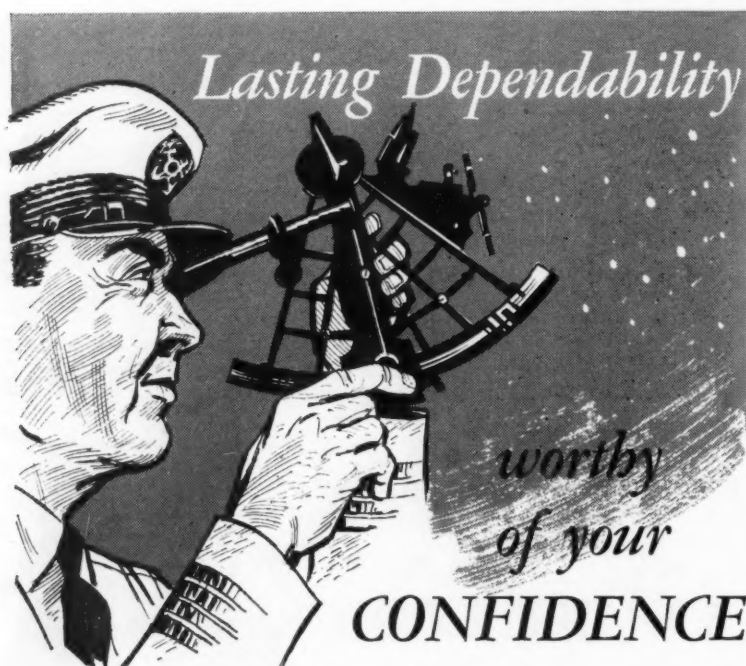
Agents Everywhere...



Have selected
National Union
Insurance Companies
for excellent service,
attention to details,
and prompt action.

NATIONAL UNION INSURANCE COMPANIES

PITTSBURGH • PENNSYLVANIA



With the sextant to guide them seafaring men have through the years maintained that high level of dependability without which no enterprise can long succeed.

The Phoenix of London Group is ever vigilant in preserving its consistently high standard of dependability. Build your future serving and being served by the Phoenix of London Group.



Phoenix of London GROUP

55 FIFTH AVENUE • NEW YORK 3, NEW YORK

PHOENIX ASSURANCE COMPANY OF NEW YORK
LONDON GUARANTEE & ACCIDENT COMPANY, LTD.
THE UNION MARINE & GENERAL INSURANCE
COMPANY, LTD.

REINSURANCE EXCLUSIVELY

Casualty • Fidelity

Surety • Fire

Marine • Allied Lines

COMPLETE AMERICAN PROTECTION



**AMERICAN
RE-INSURANCE COMPANY**

99 JOHN STREET, NEW YORK 38, N. Y.

Notes Distinction, Production Cost Vs Commissions

An insurance company executive writes:

In the National Bureau of Casualty Underwriter's press releases and in your articles the production cost allowance in the automobile private passenger rate program has always been referred to as such with no explanation of the fact that such production cost allowance includes field supervision, collection expenses, and all other expenses included in the category of "other acquisition expenses."

I think that many an agent in reading the press releases and in reading your article thinks that the production cost allowance is entirely for commission expense. Such is certainly not the case. Automobile liability commissions will run about 20% to 21% and "other acquisition expenses" will run about 4.5%. Of course the average commission is influenced to a large extent by the low commissions for competitive purposes.

Subsequent releases in connection with National Assn. of Insurance Agents statements have referred to the National Automobile Underwriters Assn.'s acquisition expense factor. The rates are adjusted on the basis of the actual losses and general expenses incurred plus a loading in the final rate for total production expenses, which amounts to 30% of the final rate.

Since the "other acquisition" expenses generally run about five points on the automobile lines, the commission expense should not average more than what is left in the total production allowance after subtracting approximately five points. Most of the larger companies will pay to their big producers a "general agency" commission of 25% plus a contingent. If the private passenger commission costs were broken out, they would be shown to be considerably higher than those for all automobile business. Therein lies one of the reasons for the "horrendous" losses on that class—average commission costs in excess of that contemplated in the rate structure.

With the forthcoming rate revisions based upon a total production allowance reduced by five points perhaps the agency companies will adjust agency commission scales not only to reflect this reduction but also to bring the "general agency" scales into line.

Insurance Society Elects

Insurance Society of New York has elected Lewis A. Vincent of National Board a director.

Through a by-law change at the annual meeting the titles of elective offices of the society were changed. The new designations and occupants are: Chairman, Franklin B. Tuttle of Atlantic Mutual; vice-chairman, J. Victor Herd of America Fore Loyalty; president, Arthur C. Goerlich; secretary, Ellis H. Carson, insurance consultant; and treasurer, Joseph J. Magrath of Chubb & Son. A. Leslie Leonard succeeds Mr. Goerlich as dean of the school.

New members of the executive committee are Kenneth E. Black of Home; Harold Jackson of William H. McGee & Co.; Alexander L. Ross of Crum & Forster; William P. Worthington of Home Life, and Mr. Herd.

Cite Standard Accident Engineer

Gerald B. Vermeesch, engineering representative for Standard Accident, has received a safety engineering citation. The reward was presented at the annual Western New York Safety Conference held in Buffalo.

R. G. Chilcott Named Operations Manager Of Nationwide General

R. G. Chilcott, a vice-president of Nationwide group, has been named manager of operations for Nationwide General, which will write merit-rated automobile insurance. Formed last year, and now licensed in 8 states, Nationwide General is expected to begin operations in late summer or early fall.

Mr. Chilcott joined Nationwide in 1935 as a local agent in Pennsylvania, and later transferred to underwriting and claims. In 1949, he was named claims superintendent for that state, Harrisburg regional manager in 1952, and late that same year went to the Columbus home office as vice-president in charge of claims. He was made zone manager in 1955, which position he held until named operations manager for Nationwide General.

Smith Is Secretary Of American Reciprocal

Kenneth R. B. Smith has been elected secretary of American Reciprocal Insurers and its wholly owned subsidiary, Commerce & Industry Ins. Co. Schuyler Merritt II is chairman. Mr. Smith will continue as treasurer.

He has been with the organization 28 years, in the statistical and treasurer's departments. He succeeds Valentine W. Gerrish, secretary, who is retiring after 38 years of service. Mr. Gerrish supervised the Canadian operations of the company, which have now been transferred to Toronto.

Fla. Worker Not Due WC When He Gets Better Job

Florida industrial commission has ruled that a worker who does not lose earning capacity despite a permanently disabling accident is not entitled to workmen's compensation. The commission withheld compensation from Jack R. Bell of Hialeah, who suffered permanent disability in a fall from a pole while he worked as a lineman for Southern Bell Telephone Co. in 1952.

After being hospitalized for about two months, Bell was given a technical job at higher pay when he returned to work. Noting that his new job was evidence his earning capacity had been increased, the commission ruled out compensation.

NFPA Offers New Standards

National Fire Protection Assn. has produced new standards on incinerators, on non-residential air conditioning and ventilating systems and on the production, processing, handling and storage of titanium.

All three standards were adopted at the annual meeting in Chicago. Copies may be obtained from NFPA at 60 Batterymarch street, Boston, 10, Mass. for 50 cents for each standard.

Writes \$2.9 Million Appeal Bond

LOS ANGELES—Travelers Indemnity has executed a surety bond in the amount of \$2,900,000 in behalf of the Coleman Corp. of Wichita Falls, Kan., which is appealing a court order granting \$2,500,000 damages for infringement by the Coleman Corp. of a patent owned by the Seigler Corp. of Los Angeles.

The judgment was handed down in district court and Coleman filed notice of appeal. Travelers Indemnity executed the bond required by the court, believed to be the largest appeal bond ever executed in California. The award of \$2½ million includes actual damages, exemplary damages, attorneys' fees and court costs.

Finish Hearings On Arkansas Insurance Code

(CONTINUED FROM PAGE 11)

line" insurance. In its place is to be inserted a broad definition of marine insurance.

Arkansas' fire and casualty rating laws brought considerable discussion and protests against any change in the so-called "all-industry" rating laws from North America and NAIL. As proposed, the hearings section of the rating law would permit "any insurer or rating organization affected by" any order or decision of the commissioner to appeal for a hearing. The words, "affected by" are new to the language of the rating law and were inserted because of a trend in court decisions holding that for a party to be "aggrieved by" means that such party must demonstrate some pecuniary loss or damage. Since rating bureaus are non-profit the courts could hold that they are not "aggrieved" even when their own filings are involved because of lack of the pecuniary element.

Counsel Challenges Language

William Pugh, counsel for North America, challenged the language on the ground that the words "affected by" permitted rating bureaus to inject themselves into filings with which they were not concerned and "to press harassing litigation against independent filers." Counsel Arthur Mertz for NAIL suggested the courts would hold that the legislature meant to apply two standards by this wording, namely, "aggrieved insurers" and "affected by" rating bureaus. Both Messrs. Pugh and Mertz argued for retention of the present language in the rating law, omitting the words "affected by."

Offers Rating Law Amendment

Arkansas Farm Mutual Fire offered an amendment to the rating law relative to assessments of bureaus upon their subscribers which would permit partial subscribers to bureau services "to pay only for the actual services performed and on the basis of the actual premiums received by the company." This suggested amendment was prompted by the three-year dispute between Farm Bureau Mutual Fire and Arkansas Inspection & Rating Bureau over bureau fees to be paid by the company, the bureau contending that the company's fees should be figured on premiums adjusted to full bureau rates and not on the company's deviated rate basis. The issue was heard before Commissioner Combs two years ago with the bureau position being upheld.

"We intend to fight for this as far as

we can," Jimmy Mason, Farm Bureau Mutual Fire counsel said, leaving the inference that his organization might be disposed to fight the new code before the legislature unless its amendment is adopted. Mr. Pugh speaking for North America, also a partial subscriber to the bureau, said the Farm Bureau amendment merits some sympathy and warrants further study.

In the A&S field, the commission received a recommendation from Arkansas Legislative Council, interim research body of the legislature, urging that laws relative to the qualification and licensing of A&S agents be revised to require applicants to pass a written examination. The council also recommended that an A&S commission be established consisting of from three to seven members appointed from the insurance industry, Arkansas Medical Society, and Arkansas Hospital Assn., and with authority to investigate alleged violations of laws or regulations, to make recommendations to the commissioner relative to examination requirements and to prescribe minimum benefit provisions to be required in A&S policies.

A definition of "fictitious groups" provoked considerable discussion with the feeling expressed by many that this definition should be left to administrative order by the commissioner rather than trying to put something into the code.

Agent Sees Need Of Lots Of Paper Work Elimination

F. R. Munn of Denver, writes anent the July 11 article on the necessity of the agent eliminating paper work:

Everything you have said about the agent and "paper work" is very true—the very sad part being that when the agent gets to the point where he is most effective from a production standpoint he is then most troubled with paperwork. Very seldom do you see the youngest, most inexperienced solicitor in an agency bothered by tons of paper. It is rather the top man of the agency, the old experienced salesman with the wealth of contacts and insurance know-how, who is tied to a desk.

But why pass the "paperwork" on to the company and thus raise company expense, cut commissions or increase the price of product? No, let's not fight windmills—let's cut out paperwork for agent and company. Don't shift the load, eliminate the load.

General Adjustment Bureau has moved its Lakeland, Fla., office, managed by C. J. Hill, to a new location at 325 South Florida avenue, Lakeland.

Security Has Better Underwriting Result

Security-Connecticut group reduced its underwriting loss for the first six months of 1958 to \$505,090 from \$2,351,855 for the same period last year. Total operating results showed a gain of \$65,577 against a loss of \$1,743,851 in 1957.

In a letter to stockholders, Peter J. Berry, chairman, and E. Clayton Genras, president, note expense reduction of approximately \$2,250,000. A large part of this was due to a decrease in commissions and taxes, reflecting reduced premium income, but \$1 million represented reduction in salaries and other overhead.

Security-Connecticut Life has a 23% increase in paid production over last year with a greatly reduced overhead structure.

Mutual M&C Rates Up In Wyo.

Mutual Insurance Rating Bureau has revised M&C liability rates, effective July 23, in Wyoming. The result is a 4.6% increase in BI and no change in PDL.

London & Lancashire Raises Dox, Stiehl

London & Lancashire has appointed Charles E. Dox, who has been manager of the western department since 1949, deputy U.S. manager of that company and Law Union & Rock. He retains the title of vice-president of Safeguard.

C. E. Stiehl, assistant western department manager, will succeed Mr. Dox as manager of the western department. Mr. Stiehl has served in an executive capacity in the western department for 10 years.

Standard Accident Names Platts To Casualty Post

Standard Accident has promoted Ralph H. Platts Jr. to executive assistant of the casualty department. He transfers from New York to the Detroit home office.

Mr. Platts joined Standard in 1941, and was appointed special risks superintendent in 1947. In 1949 he was named assistant casualty underwriting manager, became manager in 1951, and was made assistant manager of the company's New York office in 1956.

For Repeat Buyers, Repeat Advantages

Pleasant surprises await the repeat buyer of Occidental life insurance when he adds to his program through supplemental riders on his original policy. (And many do!)

Each such new purchase attached to his original policy represents a cost advantage under our plan of "cheaper by the dozen." He buys new coverage at lower rates because the original policy carries an important part of the administrative cost load.

That's why buyers with their big insurance needs still to come, family or business, can profitably start—and stay—with an Occidental plan.

Just one more advantage of what we call "Change-Easy" insurance.



Occidental Life

INSURANCE COMPANY OF CALIFORNIA

Home Office: Los Angeles / W. B. Stannard, Vice President

We pay Lifetime Renewals...they last as long as you do!

AGGRESSIVENESS ... A typical attribute of the most successful Insurance Agents

Bold, decisive aggressiveness—tempered with practical common sense—is the mark of men who have reached an executive status in their chosen field. Insurance agents with this quality invariably prefer to represent companies with exceptionally aggressive (and progressive) managements.

PAN AMERICAN

Fire & Casualty
Company



Insurance
Company

EARL W. GAMMAGE, PRESIDENT

T. EARNEST GAMMAGE JR., EXEC. V. P.

P. O. BOX 1662

HOUSTON 1, TEXAS

Five Named In South By Aetna Casualty

Aetna Casualty has made five field appointments in the fire division of the southern department.

William H. Shields 3rd has been named special agent in North Carolina under H. D. Stoneham, state agent. Mr. Shields, a graduate of the company school, was previously in the agency business and also with Factory Insurance Association.

F. B. Toledando Jr. formerly with Louisiana Rating Bureau, has joined the company as special agent under F. Walter Schieman, Louisiana state agent.

F. Hampton Smith Jr., who has been special agent in Alabama, has transferred to Georgia. He was with Alabama Rating Bureau before joining the company. Warren W. Robertson has succeeded Mr. Smith in Alabama. He is a company school graduate and has had field and engineering experience in several states.

Ralph H. Jackson Jr. has been named special agent and engineering representative in Tennessee. He has been in the underwriting and survey and appraisal departments and was also special agent in both Georgia and North Carolina.

Empire State Pond Plays Golf, Chooses Officers

Empire State pond of Blue Goose (New York) held a golf outing at Twin Oaks country club for its final meeting of the year. Elected officers at the meeting were Joseph J. McShane, Geo. H. Reuter & Associates adjusters, MLG; Matthew Donner, Atlantic companies, supervisor; N. Macrina, General Adjustment Bureau, custodian; William Clancy, Atlantic companies, guardian; Floyd Holdridge, Loyalty group, keeper, and William Deckert, Crum & Forster, welder.

Tuttle In Western Mass. For Hartford Accident

Hartford Accident has appointed William B. Tuttle fidelity and surety special agent in western Massachusetts. He joined the company in 1956 as a fidelity and surety underwriter at Hartford.

Cropsey In Fla. For Aetna

Aetna Fire has appointed Eugene H. Cropsey special agent at Tampa under Nelson Campbell, state agent. Mr. Cropsey joined Aetna in 1957 and has been in various home office departments after completing the multiple line training school.

New Mexico Pond Elects

New Mexico pond of Blue Goose has elected the following officers: Victor Moulton, most loyal gander; Kenneth Roberts, supervisor; Harold Keiss, custodian; Albert Gaines, guardian; Dwight Tope, keeper, and William R. Browne, welder.

Allen Mich. State Agent

Agricultural has promoted Richardson D. Allen to state agent in charge of southeastern Michigan with headquarters at Lansing.

He joined the company field training program in 1952, and in 1955 went to Detroit, where he has been special agent.

Royal Shifts West In Ind.

Royal-Globe has appointed Carl L. West state agent in Evansville, Ind. He has been state agent in Indianapolis since 1956 and with the group since 1954.

Changes In The Field

Great American Opens Ark. Service Office

Great American has opened a service office in the Commercial National Bank building, 200 Main street, Little Rock.

Henry P. Boardman, special agent at Houston, has been appointed state agent in charge of the Arkansas office. Donald J. Wood, who has been special agent for Great American Indemnity in Louisiana, will be associated with Mr. Boardman.

The Little Rock office will report to the southwestern department, Dallas, and Arkansas business will be processed through these offices after Oct. 10.

Reliance Names Prairie Special Agent At Portland

William H. Prairie has been named special agent of Reliance at Portland, Ore., succeeding Robert Eaton who resigned to enter the agency business. Mr. Prairie began in insurance with Oregon Rating Bureau, and after eight years with the bureau, he worked in the Oregon field for 15 years.

Cleveland Field Club Nominates Officers

Cleveland Field Club has nominated for 1958-59 officers: A. E. Bulau, Boston Indemnity, president; B. M. Jacoby, Aetna Casualty, vice-president; Daynor Tharalson, St. Paul F&M, secretary; and M. G. Lindsay, Western Adjustment, treasurer.

McMahon Advanced In Ind.

Royal-Globe has appointed John F. McMahon as state agent at Indianapolis. He succeeds Carl L. West, who has transferred to Evansville.

Mr. McMahon joined the group in 1955. He trained at the New York office and, prior to his new appointment, was special agent at Fort Wayne and Indianapolis.

N. Y. CPCU Elects

The New York chapter of CPCU has elected George J. Guess Jr., of Griswold & Co. as president. Other officers are Miss Leona Seldow, broker, and Henry A. Herman Jr. of Royal-Globe, vice-presidents; William R. Jackson of Royal-Globe, treasurer, and Melvin A. Holmes of Frank B. Hall & Co., secretary.

Mid-South Pond Elects

Mid-South Pond of Blue Goose has elected O. Lance Dobbs, Royal-Globe group, as MLG; John B. Ricker, Cotton F&M, supervisor; Edward A. Burbage, General Adjustment Bureau, custodian; James A. Haugen, Aetna Fire, guardian; W. F. Elmore Jr., GAB, keeper, and Robert V. Lamar, American, welder. The delegate to the Grand Nest will be O. Lance Dobbs.

Brieden Joins Yorkshire

Yorkshire has appointed John W. Brieden special agent in New Jersey. He will assist L. A. Vilella, state agent.

For the past five years, Mr. Brieden was a special agent in New Jersey for Century.

William W. Price has been appointed special agent in eastern Massachusetts and Rhode Island by Aetna Fire. He is a CPCU.

Lee Is Pittsburgh Aetna Fire Manager

Aetna Fire has appointed Edward C. Lee manager at Pittsburgh. He will supervise all lines. He succeeds Frank Powers, former state agent, who has gone with another company.

Mr. Lee joined Aetna in 1946 and has been supervising the underwriting and processing of casualty business in western Pennsylvania since 1955. Prior to this, he was at Albany as underwriter and special agent.

London & Lancashire Names Selsor Mo. Special

Leon Selsor has been appointed special agent for London & Lancashire in eastern Missouri. Mr. Selsor has had both local agency and company home office training, and will work with John L. Hoffman.

Kemper Names Steinkamp In Eastern Department

Kemper companies have named Paul J. Steinkamp manager of boiler production in the eastern department office at Summit, N. J.

Mr. Steinkamp, who joined the company in 1952, has been in boiler production in Chicago. Before going with Kemper, he had been sales manager at Chicago for Mutual Boiler & Machinery for seven years.

Green Resigns From Great American In Mich.

Robert L. Green, special agent of Great American group in Michigan, has resigned from the company to return to his former employer, Michigan Inspection Bureau.

James E. Carlton has been appointed to replace Mr. Green. Mr. Carlton has been in engineering and fire underwriting for 16 years.

Dubuque F&M. Appoints Mann In Pennsylvania

Dubuque F&M. has appointed Hunter Mann Jr. state agent for Pennsylvania, with headquarters at Harrisburg. Mr. Mann has been in insurance since 1940 as a local agent and branch manager.

Van Horn Named In S. C.

Martin C. Van Horn has been appointed special agent of Phoenix-Connecticut in South Carolina, with headquarters in the Palmetto State Life building, Columbia. He will assist Manager Harold C. McAllister Jr. of the Raleigh, N. C., district office.

McGuigan Named In Ga.

Great American has appointed Robert V. McGuigan special agent in Georgia to assist State Agent William A. Beckham from headquarters in the Fulton National Bank building, Atlanta. Mr. McGuigan has completed the company's training program and has been an underwriter.

Federated Mutual Implement & Hardware has named D. F. Kraft, formerly general sales manager of its southern division at Atlanta, manager of the southern division. Carl V. Whitaker, formerly central division sales manager, has been named general sales manager at Atlanta. H. E. Bell Isle, formerly sales representative in Atlanta, has been named sales manager for Georgia.

Harding, Yeates Shift In Posts For Boston

Boston has appointed John W. Harding Jr. manager of the Connecticut branch and Arthur N. Yeates Jr. state agent for Massachusetts at Springfield.

Mr. Harding joined the company in 1948 as special agent in Connecticut. He was later special agent in central and western Massachusetts before becoming manager at Springfield.

Mr. Yeates joined Boston in 1947 as a fire underwriter trainee. He was special agent in Ontario and most recently manager at Washington, D.C.

Aetna Names State Agents In Ohio And New Mexico

Aetna has named Richard S. Murray state agent at Toledo, replacing Jack M. Westerfield who has been appointed associate state agent for New Mexico. Mr. Westerfield will work with State Agent Earl Neville and Special Agent Philip Mader at Albuquerque.

Fidelity-Southern Names Erwin In North Texas

Fidelity-Southern Fire has named Ed Erwin special agent for North Texas with offices in Fort Worth.

M. Erwin had nine years experience with a multiple line company, and has served as field engineer, engineering department manager, special agent and branch manager for Houston.

Western Reserve Puddle Nominates '58-59 Officers

Nominations for 1958-59 officers have been made by Western Reserve puddle of Blue Goose. Nominated are: Edward Arends, Factory Insurance Association, big toad; George Garwood, America Fore Loyalty, polliwog; Richard Stitt, North British, croaker; and Thomas O'Neil, Ohio Farmers, bull frog.

South Texas Pond Names Outstanding Blue Goose

E. A. Stumpf, retiring MLG of South Texas pond of Blue Goose, has been designated as the pond's "outstanding blue goose" of the year for his successful leadership of the pond while in office.

Mich. Puddle Elects

Grand Rapids puddle has elected the following officers: Sam Gray, New York Underwriters, big toad; John Moore, Ohio Farmers, polliwog; Bert Gerber, Western Adjustment, croaker; Charles Moore, North British, bouncer; William Greninger, Home, keeper, and C. P. Berry, Underwriters Adjustment, tiny polliwog.

Crockett Shifts To D. C.

Reliance has transferred E. Berkley Crockett, state agent at Baltimore, to Washington, D.C. He joined the company in 1955. He will be succeeded by John M. Cannon who has been special agent for North British at Baltimore. Mr. Cannon's headquarters will be in the Fidelity building, where he will be under the supervision of Paul C. Thompson, regional manager.

New Washington Field Club

Greater Washington, D. C. Insurance Field Club has been organized by 78 stock company field men in the territory. The following officers have been elected: Harold W. Osterlund of Travelers, president; Charles V. Gordon of Aetna Casualty, vice-president;

George P. Schultze of Home, secretary, and Everett W. Martin of Hartford Fire, treasurer.

Wicker Is Chairman Of Grand Nest 1962 Meet

D. Lee Wicker, secretary of Hurt & Quin, Atlanta general agency, has been appointed general chairman of the Grand Nest of Blue Goose in Atlanta in 1962.

Peter Named At Louisville

American Surety has appointed Paul E. Peter special agent at Louisville. He joined the company in 1955 and completed the home office training program.

David L. Barthel has been made claim representative at Chicago. He joined the company in March.

Gordon Promoted In D. C.

Aetna Casualty has advanced Charles V. Gordon, state agent, to manager of the Washington, D.C., fire insurance division. He joined the company in 1945 after a number of years with Maryland Rating Bureau.

Van Wickle With Yorkshire

Yorkshire has appointed Clyde Van Wickle special agent associated with Joseph J. McGann, state agent at Pittsburgh. He was formerly with Employers Liability there and is a past president of Smoke & Cinder Club.

Kelly In Dakota Field

North British has appointed Edward J. Kelly special agent at Aberdeen, S. D., to assist G. C. Tiase, state agent, in supervising the Dakotas. The Fargo, N. D., office has been closed.

Buck At Albany For Hanover

Hanover has appointed Richard J. Buck state agent for eastern New York at Albany. He succeeds D. W. Jordan, recently appointed assistant secretary.

Mr. Buck was formerly state agent of Reliance in the same territory.

Hover Joins Cincinnati

A. J. Hover has joined Cincinnati as a special agent for Ohio. Mr. Hover, who has been with Ohio Casualty, will represent the casualty department. His headquarters are at the home office.

Lucier In Conn. Field

Aetna Fire has appointed Joseph L. Lucier special agent at Hartford. He joined the company in 1957 and has been in underwriting departments at the home office and at the branch following graduation from the company's multiple line training school.

Price In Michigan Field

Phoenix of Hartford has appointed Robert M. Price inland marine special agent at Detroit. His headquarters will be at 1740 National Bank building.

Gammaitoni In Pa.

New Hampshire has appointed Carl R. Gammaitoni special agent for casualty at Wilkes-Barre. He will be located at 710-714 Second National Bank building, 13-19 West Market street.

Jacobsen In Ia., Neb.

Royal Exchange has appointed Thomas Jacobsen special agent for western Iowa and eastern Nebraska with headquarters at Omaha. He succeeds Commodore E. Beaver who has returned to the local agency business.

Loyalty Group Promotes Two

Loyalty group has appointed Byron B. Redman, secretary at Chicago, to vice-president and comptroller at the head office in Newark. He succeeds Walter J. Schmidt, who is going off active duty but who will be available for consultation. Tudor Jones, assistant secretary at Chicago, succeeds Mr. Redman there.

Mr. Redman started with Factory Insurance Association and joined Loyalty in 1931. He was at the home office, in the North Carolina field, and then in 1940 went to Chicago, where he successively became chief statistician, associate chief accountant, personnel director and office manager, and secretary.

Mr. Jones started with Firemen's in 1922, and has been statistician, chief statistician, assistant personnel director, and assistant secretary.

Mr. Schmidt started with Girard in 1904. After it affiliated with Firemen's in 1916 he went to Newark, where he became vice-president in 1941.

Travelers Budgets Business Coverage

(CONTINUED FROM PAGE 4)
advance premium which is not the equivalent of the premium estimated to be earned during the full policy term.

Also excluded are assigned risks; boiler and machinery contracts written on a premium adjustment rating plan basis or for a term of less than three years; automobile liability contracts written for a term of more than a year; surety bonds and public official fidelity bonds. In certain states, the family A&S policy is excluded; in Pennsylvania, workmen's compensation may be included; and in Massachusetts, automobile liability policies may not be included. Information on such special exceptions to the general rule are outlined in a bulletin which has been distributed among Travelers representatives.

Life And A&S Ineligible

Although life and A&S are ineligible for inclusion in the business insurance agreement itself, premiums for such coverages may be budgeted and paid in conjunction with the monthly payments. The amount of premium included in the monthly coupon is one-third of the quarterly premium. The minimum quarterly premium which can be included is \$10 per policy. A&S and hospitalization policies must also be paid on a quarterly basis, with a minimum of \$5 per policy.

Minimum premiums that may be budgeted under a single agreement are as follows: 10 payments—\$60; 16 to 22 payments—\$90; 34 payments—\$120. Life, A&S and hospitalization, except the family accident policy, must not be included in determining the minimum budgeted premium. The total premium budgeted may not exceed \$5,000 per agreement, regardless of the number of policies or payments scheduled or policy periods.

Johnson & Higgins has opened its third office in Venezuela at Puerto La Cruz. John S. Groene, who has been in the insurance business in Venezuela since 1949, and who has operated his own general insurance business in Puerto La Cruz since 1951, is resident manager.

"I owe much of my success to
GENERAL'S
pioneering leadership,
facilities and services."

... says Carlton E. Owen of Sacramento, California



Carlton E. Owen, owner of the agency that bears his name, has been a "partner" with the GENERAL since 1949 and in this letter explains why:

"A partner is taken to give help and I, better than anyone, recognize the help that GENERAL has given my agency during its growth. They were first to develop the Broadform Endorsement, the ULTRApolicy, and many others in the industry. SAFECO was introduced in California in 1953—in my mind this policy is the perfect answer to the agent's call for efficient operation and low-cost auto insurance for his better prospects. And more important—a tool to meet the direct writer's competition.

"It would be impossible for my wife and I to handle a volume close to \$100,000 without the help of SAFECO's streamlined operation, the ULTRApolicy, premium financing, and the efficient help of GENERAL's employees. Yes, I do sincerely feel that much of my success is due to GENERAL's pioneering leadership, facilities and services."

Write Dept. 456 for more facts about GENERAL

GENERAL
INSURANCE COMPANY
OF AMERICA

SEATTLE 5, WASHINGTON



25 Years

of outstanding personal service to insurance companies.

A. E. STRUDWICK CO.

REINSURANCE BROKERS

Exclusively

810 Baker Building
Minneapolis 2, Minnesota
Federal 9-5847

208 South LaSalle Street
Chicago 4, Illinois
Central 6-9141

Editorial Comment

Territorial Rate Differentials In N. C.

Commissioner Gold of North Carolina poses an interesting problem in his rejection of the automobile BI rate increase asked for private passenger cars in that state. In turning down the filing, he strongly objected to the proposal to increase rates 50% in the Fayetteville area, where Fort Bragg is located.

He said that it would not be "equitable, fair or permissible under the insurance laws of North Carolina to authorize the proposed rate for the Fayetteville area. It is a well known fact that servicemen travel far afield from their posts. Accidents in which they are involved occur within and without the state, as well as in Cumberland county. To give a higher rate to such an area would be unfairly discriminatory. For a territory that does not have a large transient population and which has an excessive number of accidents, it is proper to authorize a rate differential."

The charging of experience to the territory in which the insured automobile is principally garaged long has been a standard rating practice for most automobile insurers. The practice has, of course, produced some friction, especially along the borders of territories, when the rate differential between territories is considerable. Since the experience on servicemen is markedly poor, the existence of a military establishment in a territory also creates what admittedly is an imbalance.

However, the alternative that Mr. Gold implies in his comment, of charging the experience to the territories in which the accidents occur, would—and very likely he recognizes this—give him more difficulty than the other rating procedure.

A 50% increase in rate is bound to produce some discordant reaction at any time and any place. Even the NACCA lawyers, who have as much at stake in insurance rates as almost anyone else with a possible exception of insured, protested loudly the very substantial rate increase in Dade county, Fla., not long ago. Here, rates were increased as much as 70% by certain companies and for certain classes.

But in North Carolina, there are special considerations involved at this point. For one thing, this is the first time that territorial differentials in rates have been applied. Heretofore, the rates have been the same throughout the state. It may take a while for North Carolinians to become accustomed to these differentials.

For another thing, North Carolina is newly in the compulsory automobile insurance business. Whatever the effects that will have, it is doubtful if the automobile liability insurance business will be the same as it has been in the past. It will be surprising if this does not, in the long run, pose for Mr. Gold more difficulties than a 50% rate increase in Fayetteville. —K. O. F.

Personals

Miss Alice Anderson, newly elected president of National Assn. of Insurance Women,



Alice Anderson

has been secretary of Charles N. Latz & Sons, Kansas City insurance brokers, for the past 10 years. A charter member and former president of Insurance Women of Kansas City, she has served the national organization as chairman of the budget and finance, and education and organization committees and as 2nd and 1st vice-presidents and treasurer.

Frank G. Harrington Jr., public relations and advertising manager of North America, has been appointed chairman of the public relations advisory group for Philadelphia's fire prevention committee for the second consecutive year.

Miss Louise Strudwick, 14, daughter of Arthur E. Strudwick, president of A. E. Strudwick Co., reinsurance, Minneapolis, was recently given a gold medal award by the U.S. Figure Skating Assn. at Colorado Springs. This award is the highest honor in amateur or professional figure skating, and represents proficiency in eight tests of compulsory diagrammed figures and

free skating judged and passed by three recognized national figure skating judges and one referee. Miss Strudwick, who has been figure skating since she was 8, is the third gold medal winner to be named from the Minneapolis area, and is one of the youngest amateur figure skaters in the country to receive the award.

Will Johnston of the D. A. Fisher agency at Memphis will be honored Aug. 12 at an open house marking his 50 years with the agency. Mr. Johnston is a past president of Insurers of Tennessee and Memphis Assn. of Insurance Agents.

Arno Schorer, head of the E. A. Schorer agency at Kalamazoo and widely known in the insurance business, has been out of action for several months as the result of the amputation of his right leg at the knee.

Maurice G. Herndon, manager of the Washington, D. C., office of National Assn. of Insurance Agents, is recuperating at his home following an appendectomy.

Allan Wikman, director of education and research of General Adjustment Bureau, and Mrs. Wikman have just returned from a six weeks trip to Europe, most of which they spent in their native land of Sweden.

John L. Gay, 92, veteran agent of Berea, Ky., is improving at a Berea hospital, after suffering a neck injury in an accident. Mr. Gay has served for many years as president of Berea National Bank. The bank was formed in 1906. He has also headed the John

L. Gay agency since it was formed in 1907. In 1956 he resigned as the first mayor of Berea after about a half century in office.

Deaths

ROBERT J. GLASGOW, 50, vice-president of Continental Casualty,



Robert J. Glasgow

died at his home at suburban Lake Forest. His entire business career of 28 years was spent with Continental, during which time he developed the aviation travel accident portfolio to international prominence. Mr. Glasgow was appointed assistant secretary in 1944, executive assistant vice-president in 1952 and vice-president in 1955.

BENJAMIN F. FRISCHWASSER, 73, Bronx insurance broker since 1920, died after a long illness. He was the founder and former vice-president of International Ladies Garment Workers Union.

MRS. OSCAR E. ALESHIRE, 81, wife of the late co-founder and partner in Parker, Aleshire agency at Chicago and president of Modern Woodmen from 1938 to 1944 died at Helena, Mont. She had been in ill health for several months. A son, Donald W., is a principal of the Parker, Aleshire agency.

ROBERT E. ANDREWS, 77, a former assistant chief engineer of National Board at San Francisco, died after a long illness at Berkeley, Cal. He retired in 1946 after 35 years with National Board.

LAWRENCE W. LINDQUIST, 60, Chicago broker, died there in his home of a heart attack. Mr. Lindquist had had a previous attack last March while vacationing in Florida. He returned to work at his office in the Insurance Exchange building in May and had been in good health until the second and fatal attack. He had been in the insurance business many years, the last 20 operating as L. W. Lindquist.

CROSBY OWENS, 49, Oregon state agent of North British, died of a heart attack at Eugene. He entered the business in 1930 as a local agent in Eugene and was a member of the executive committee of Oregon Assn. of Insurance Agents before going with North British.

JOHN M. HOLLAND SR., 70, retired local agent of Gastonia, N. C., died of a heart attack in the hospital at Charlotte.

ROBERT G. SIMPSON, deputy chairman of General Accident at the head office since 1951, died at Perth, Scotland. He was formerly chairman of the company and of General Life.

HARRY E. STOTTS, 48, vice-president of Indiana and Consolidated, died at his home in Indianapolis. He had been in the business since 1936 when he started with Hartford Accident as an adjuster. He later was superintendent of agencies in Indianapolis for Hartford before going with Indiana Assigned Risk Plan as manager in 1952, serving also as secretary of

The NATIONAL UNDERWRITER



The National Weekly Newspaper of Fire and Casualty Insurance

EDITORIAL OFFICE

17 John St., New York 38, N. Y.
Tel. BEekman 3-3958 TWX NY 1-300

Executive Editor: Kenneth O. Force
Associate Editor: John N. Cosgrove

CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Tel. WAbash 2-2704 TWX CG 60
Managing Editor: John C. Burridge
Assistant Editors: Richard G. Edel, William H. Faltyssek, William H. Farley and R. R. Cuscaden

ADVERTISING OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Tel. WAbash 2-2704 TWX CG 60
Advertising Manager: Raymond J. O'Brien

SUBSCRIPTION OFFICE

420 E. Fourth St., Cincinnati 2, Ohio
Telephone Parkway 1-2140

OFFICERS

Howard J. Burridge, President.
Louis H. Martin, Vice-President.
John Z. Herschede, Secretary-Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

SALES OFFICES

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Murray 8-1634. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and John F. MacNamara, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. WAbash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wieghaus and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—420 E. Fourth St., Tel. Parkway 1-2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; Arthur W. Riggs, Statistician.

CLEVELAND 14, OHIO—1367 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3390. Paul Biesl, Resident Manager.

DALLAS 1, TEXAS—309 Chambers Insurance Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-3725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5066. D. J. Stevenson, Resident Manager.

DETROIT 24, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 28, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. J.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgenuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Ebbrook 2-3054. Robert L. McMullen, Pacific Coast Manager.

CHANGE OF ADDRESS

Be sure to enclose mailing wrapper with new address. Allow three weeks for completion of the change. Send to subscription office, 420 E. Fourth St., Cincinnati 2, Ohio.

Hoosierland Rating Bureau and ABC Service Bureau. He went with Indiana in 1956.

BERNARD DAUGULL, 58, who headed the fire underwriting department of Royal-Globe at Chicago, died in Ravenswood hospital there. Mr. Daugull went with Royal in 1925 as Cook county underwriter and advanced through the years to department head.

W. ALLAN HARRISON, 64, local agent at Middletown, Ohio, for 41 years, died recently.

JAMES THORNE, 54, vice-president and account executive of Marsh & McLennan at Minneapolis, died. He had been in insurance since 1920 and with Marsh & McLennan since 1925.

CECIL B. LOWE, 54, Jacksonville, Fla. agent, died there of a heart attack.

R. R. SUMMERILL, 65, president of the Summerill agency of Portland, Ore., died.

Soo Agents Reorganize

Sault Ste. Marie (Mich.) Assn. of Insurance Agents has been reorganized after a somewhat dormant period of several years' duration. John Old Jr. has been named president of the reactivated group with Charles E. Chipley vice-president, Glenn Smart secretary, and Richard B. Calder treasurer.

New Wash. County Officers

Reorganization of the Washington county (Ore.) Assn. of Insurance Agents has been completed. Keith Wilcox, Hillsboro, was named president to succeed J. Robert Young. Paul Falco, Forest Grove, is the new vice-president, and Rosemary Cook, Beaverton, secretary-treasurer. Named directors were Howard Davis, Hillsboro, and Homer Waltz, Forest Grove.

Olympic has moved its Los Angeles area underwriting and sales office and its Los Angeles zone claims office to the new Olympic Insurance building, 955 South Western avenue.

Stocks

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, August 5, 1958

	Bid	Asked
Aetna Casualty	139	143
Aetna Fire	65½	67
Aetna Life	201	205
Agricultural	29	30
American Equitable	33	34½
American (N.J.)	25	26
American Motorists	11¼	12¼
American Surety	16½	17½
Boston	31	32
Camden Fire	29	30
Continental Casualty	90	92
Cum & Forster com.	61½	63
Federal	46	47
Fireman's Fund	51½	53
General Reinsurance	57	59
Globe Falls	32½	33½
Globe & Republic	18½	19½
Great American Fire	37	38
Hartford Fire	166	170
Hanover Fire	38	39
Home (N. Y.)	42	43
Ins. Co. of No. America	106	108
Maryland Casualty	37½	38½
Mut. Bonding	40	41
National Fire	78	80
National Union	37	38
New Amsterdam Cas.	44	46
New Hampshire	39	41
North River	35	36
Ohio Casualty	22	23
Phoenix Conn.	69	71
Prov. Wash.	18	19
Reinsurance Corp. of N. Y.	14½	15½
Reliance	41	42
St. Paul F. & M.	48	50
Springfield F. & M.	34	35½
Standard Accident	52	53½
Travelers	84	85
U.S.F. & G.	64	65½
W. S. Fire	26½	27½

North America Goes To Court On Wash. Filing

North America has filed notice of appeal from the decision of Commissioner Sullivan of Washington rejecting its independent filing of fire rates.

North America was turned down on its request for independent rates April 29 and again June 30, the second decision following a hearing. Mr. Sullivan ruled that the insurance law prohibits bureau subscribers from filing independent fire rates. North America argues that the law does not prohibit an independent fire filing and that if it is interpreted to mean that, it is contrary to federal and state constitutions and anti-trust laws.

Transfer Vander Feen To Fund Home Office

Fireman's Fund has transferred Assistant Controller C. G. Vander Feen from the eastern department in New York to the home office management services department headed by N. A. Begovich, assistant controller.

Mr. Vander Feen will assist in developing nationwide uniformity in the Fund's statistical practices and procedures.

Prior to joining the Fund in 1956 as assistant controller, he had been controller and vice-president of National Surety Corp. and deputy controller of New York Indemnity.

Robert Olp Opens Insurance Analysis Service At Detroit

Robert Olp Associates, specializing in business insurance analysis, has been organized at Detroit to service buyers on a fee basis to provide an analysis in the interest of buyers.

Robert Olp, the senior member of the firm, has been vice-president of Marsh & McLennan at Detroit since 1949. He started in insurance with the western department of Royal-Liverpool group at Chicago and subsequently was in the field. In 1926 he became manager of Travelers Fire in the western states, the following year going to Michigan. In 1937, Mr. Olp became vice-president and operating head of the Dearborn National and Dearborn National Casualty, becoming president in 1939. He went with Marsh & McLennan in 1947. He is a past president of Detroit Assn. of Insurance Agents.

Olp & Associates will analyze insured's exposure to loss, insurance needs, and offer an appraisal of present coverages.

Byrnes-McCaffrey And Cary Agency Are Merged

Announcement has been made of the merger of Byrnes-McCaffrey agency and Michigan Insurance Agency, both of Detroit.

Byrnes-McCaffrey was founded in 1939 by Robert J. Byrnes and M. Frank McCaffrey. They were joined shortly thereafter by Frank R. Dimond. All three are still actively engaged in the business. The agency controls a substantial volume and has a branch in Chicago.

Michigan Insurance Agency was founded more than 50 years ago by Walter B. Cary, who will remain as a consultant. Mr. Cary is well known in insurance circles as a past president of Michigan Assn. of Insurance Agents and as past state director. The current state director of Michigan is Mr. McCaffrey.

Abrams & Bogue, New York advertising agency, specializing in the insurance field, has moved from 79 Wall street to larger quarters at 116 John street, suite 1512.



SKILL

Makes the Difference

Deductible Fire and Inland Marine lines are sometimes hard to place. But Geo. F. Brown & Sons, with the skill that comes from long experience, is a ready market for a great variety of deductible coverages for your larger clients.

See what the difference does for you. For fast handling of Deductible lines, get in touch with specialists...

GEO. F. BROWN & SONS, INC.

175 West Jackson Boulevard • Chicago 4 • WAbash 2-4280
116 John Street • New York 38 • WOrth 4-0745



The Hanover Group
An Old and Reliable Name
in Insurance

The HANOVER INSURANCE COMPANY
(ESTAB. 1852)

The FULTON INSURANCE COMPANY
(ESTAB. 1929)

Home Office: 111 John St., New York 38, N. Y.

CHICAGO • SAN FRANCISCO • TORONTO

See More Virtue In Compensation System

(CONTINUED FROM PAGE 1)

program. Get members elected to the legislature and appointed to committees in order to influence legislation, pro or contra, and to do whatever else is needed to secure liberalization in the workmen's compensation and negligence fields.

The insurance people who are re-examining the compensation idea see no signs that any one of the three major factors will diminish which are forcing rates upward. These factors are (1) compulsory (socialization of BI liability), (2) inflation (the rise in prices and in the size of verdicts—one \$500,000 verdict leads to the settlement of dozens more at \$3,000 instead of \$1,500 or less), and (3) multiplication of exposure by increased travel, more automobiles, additional drivers, and further traffic congestion.

If rates continue to rise, some insurance men now fear that the price of coverage will become prohibitive, which would result in state funds and in indemnification in part by way of taxes. The alternative, they suggest, may be the imposition of ceiling, such as a compensation system.

One suggestion is that in a sense the auto insurance business already has voluntarily assumed the operation of

a fund to take care of poor risks—in the assigned risk plans. (Figures presented below show the sharp rise in new assigned risk applications in the first six months, compared with a year ago, for seven of the plans in the east).

Certainly the rising cost of claims, which few believe will stop, and the need of more and more premium, which is harder and harder to get, has produced a marked change in attitude among insurance men toward the idea of a system of scheduled payments for auto injuries. Executives and underwriters in the automobile liability now discuss the idea without shuddering. Even those executives who would hate to see a compensation system come, still consider the possibility that it may be inevitable.

What are the pros and contras of a system that has been discussed and cussed for years? One of the real problems in underwriting workmen's compensation successfully is the unlimited medical, which is in effect in some 40 states, either as a part of the law or as a part of the administration of the WC program. This means payment of an indeterminable amount for an indefinite time—the true nightmare of the underwriter. It is not surpris-

ing that a few of these cases have cost the insurers and reinsurers more than \$250,000 in medical expenses, against a few thousand dollars of WC.

But, it is contended, there wouldn't have to be unlimited medical for auto injuries. After all, it is observed, labor wields a very important influence in WC and its benefits, including unlimited medical. But no such weight of influence would be brought to bear in establishing a compensation scheme for auto BI, it is said.

This may be so. But it is also possible, with the opposition to a compensation program that would be exerted by plaintiffs' attorneys and others, that the system could not be established without unlimited medical—if it didn't end up with even worse features.

Another observer suggests that the system could use state wrongful death limits as the top limit for injuries and deaths. But, of course, these limits have been increased in recent years by legislative action. With the pressure an auto BI ceiling would develop, they could be changed again and again.

It is argued that a compensation plan would unclutter court calendars. But WC produces congestion of its own—and what difference would it make where the congestion occurred, in a court or in a newly established board? Experience in WC does not indicate that in proportion the reduction in the amount of the claim at issue does not automatically reduce the volume or length of disputation.

But, it is argued, in addition to all the other reasons for a ceiling of some kind, there is one basic problem which cannot otherwise be solved by the business—no one can underwrite the auto BI liability claimant. One man suffers a broken leg in an automobile accident and asks and settles for \$1,500. Another suffers a broken leg and sues for \$10,000. The expenses and lost wages are approximately the

same. In addition to a difference in character, one man's pain and suffering is worth \$500 another's, \$9,500.

The experience with and the increase in assigned risks represent only one phase of the automobile BI problem but an interesting one because it is a voluntary pooling by the insurers of poor classes of risks. Assignment of risks demonstrates clearly the specialized character of the voluntary system of paying for auto accident injuries and deaths and is of long standing. These people cannot pay the full cost of the injuries and deaths they cause. They represent both those drivers modern society cannot take off the road because they have to drive to work and thus economically sustain themselves, and those drivers state and local governments simply are too politically minded to remove from the highway.

Shows Rise In Assignments

The experience set out below shows sharp rises in new assignments for the six months through June, 1958, compared with the first six months of 1957. In some states, Rhode Island and West Virginia, for example, the rise in new applications is said not to be the result of failure of the insurers to get adequate rate increases—as is the case in New York. One explanation for the rise in areas where rate increases have been granted is that because automobile underwriting generally has tightened up with poor experience, agents have to spend so much time getting their good risks placed they don't try to get the poorer classes written as regular business.

Renewals in these seven plans run

Varied Program Will Feature NAIA Annual

National Assn. of Insurance Agents is planning a diversified program for the annual convention at New Orleans Oct. 6-8. In addition to the regular sessions there will be workshops on fictitious group insurance and advertising as well as a general workshop on timely topics.

Annual breakfast programs will be continued. One of the features of the opening general session will be the presentation of the "President Citations" by Louie E. Woodbury Jr., of Wilmington, N. C., NAIA president. Other awards will be given at the closing general session.

In view of the sightseeing and other appeals of the city the convention planners have scheduled no sessions on Monday night, and have decided not to hold the annual presidential ball, usually a Tuesday night event.

New Auto PHD Rates In W. Va., Del., Mostly Up

National Automobile Underwriters Assn. has increased comprehensive premiums an average of 7½% in West Virginia, effective July 30. Private passenger \$50 deductible collision goes up 9% for the state as a whole, and \$100 deductible 4½%. The farmer discount is increased from 20 to 30% on collision.

In Delaware, also effective July 30, NAUA has increased comprehensive for popular priced new private passenger automobile \$2 to \$4, and \$50 and \$100 deductible collision 7 to 8% except in Wilmington, where there is a 7 to 8% reduction. Farmers get 30 instead of 20% off on collision. Commercial risks operating within a 50 mile radius, get a comprehensive rate increase of 22%. A fire and theft reduction of 9%, and a collision reduction of 5%.

WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

AVAILABLE FOR EXCESS LINES!

We are desirous of increasing our business in the United States, and invite recognized excess brokers to communicate with us as a reliable source for excess coverage.

ATLANTIC INDEMNITY CO. Ltd.
Rooftop Bldg., Nassau, Bahamas

ADJUSTER WANTED
EXPERIENCED IN FIRE AND ALLIED LINES. R. BEACH MOTT & COMPANY, P. O. BOX 6367, HOUSTON, TEXAS.

ENGINEER
Engineer wanted to assist in engineering and claim departments of large agency. Indiana elevator license required. No traveling. Salary open.
O'Rourke & Company
1208 Fort Wayne Bank Bldg.
Fort Wayne, Indiana

WANTED—SPECIAL AGENT
Multiple line Mutual agency company has excellent opportunity for Special Agent in Central Illinois. Send complete information, replies confidential. Our employees know of this ad. Write Box 8-85, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

MIDWEST EXECUTIVE, BRANCH OR STATE MANAGER AVAILABLE
Over 25 years experience. Good producer all lines. Heavy following in Midwest. Excellent references high ranking officials. Age 45, married. Good health. Reply Box 8-88, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

GENERAL INSURANCE AGENCY FOR SALE

Volume \$175,000. Ideal Location. Southeast Los Angeles Area. Modern Equip. Est. 1948. Reply to Box 8-58, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

IOWA AND MISSOURI Special Agent

Mutual American Agency Company developing Iowa and Missouri needs multiple-line special to help agents on industrial accounts. Must have proven selling background. A rare opportunity for the right man. Write giving all necessary information. Replies will be held in strict confidence; Box 8-80, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

CLAIMS ATTORNEY

Age 31, desires career opportunity as Claim Manager, Assistant Claims Manager with progressive company. Complete Multiple Line experience. Thorough grasp of Claim Administration and Personnel Management. Location secondary to opportunity. Reply Box 8-82, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

FIELDMAN—FLORIDA

Aggressive young multiple line stock company newly licensed for Florida wants fieldman with experience, preferably Florida. Write R. A. Cosbey, Cincinnati Insurance Co., 2934 Central Parkway, Cincinnati 26, Ohio.

AVAILABLE SOON RESIDENT DIRECTOR OF AGENCIES

Very familiar with and prefer states of Minnesota, Iowa, Missouri, Nebraska and Colorado. Will also consider West Coast. Address Box 8-87, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Progressive company with outstanding bonus plan for branch sales managers has opening for capable salesman, 30-35, having more than ordinary initiative with an interest in broadening abilities in insurance education. Address Box 8-89, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Home Advances Doyle In Public Relations

Home has advanced Richard L. Doyle from editorial assistant to assistant manager of the public relations department.

He has been with the company since 1947, and will now be under the direct supervision of Secretary Malcolm B. Hicks, manager of the department.

Dr. MacIver Joins America Fore Loyalty

America Fore Loyalty has appointed Dr. John MacIver to its medical department in New York. He has broad experience in preventive medicine, preventive psychiatry, and safety work. Most recently he has been director of the safety and occupational health bureau of Metropolitan Life.

The group's medical staff includes Dr. Fred J. Schilling, medical director; Dr. Edward F. Schortman, associate medical director, and Dr. James F. Coyle, assistant medical director.

FIRE PREVENTION ENGINEER

Opportunity as assistant to head of Engineering Department. A+ rated specialty insurance company in Chicago. Requires either graduate fire prevention engineer or high ranking engineering student able to complete education at night within two years with company assistance. Write stating education, experience, and salary desired. All replies held strictly confidential. Reply Box 8-84, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

about 50% of new applications, so that the total of assigned risks is about double the figures shown. For some time now, also, class 2 applicants have made up about 50% of the new applicants—and 50% all others. Automobile driving schools, most of them in New York state, are said to give the plans the worst experience. All such schools, it is reported, are assigned. Many small drive-it-yourself plans are assigned.

For the seven states, total new assignments in the first six months of 1958 were 178,697, an increase of 38% over the 128,863 in the like period of 1957.

The increases in new applications, 1958 over the same period of 1957, by state, were 44% for New York, 18% for New Jersey, 30% for Connecticut, 27% for Pennsylvania, 31% for West Virginia, 23% for Rhode Island, and 72% for Delaware.

In Delaware, the figures by month for 1957 ran 77, 55, 79, 83, 95, and 69, for a total of 478; and for 1958 ran 114, 107, 113, 143, 155, and 196, for a total of 828.

For the other states the figures are shown herewith, for each month, with the totals for six months, for the two periods of time:

New York

1957	1958
27,022	22,680
13,248	15,676
12,274	19,826
13,208	23,260
14,316	24,841
13,383	28,439
93,447	134,722

New Jersey

1957	1958
2,251	2,798
2,175	2,477
2,713	2,898
2,792	3,292
3,069	3,474
2,936	3,886
15,936	11,825

Connecticut

1957	1958
879	1,034
924	993
1,074	1,365
1,170	1,481
1,302	1,782
1,216	1,909
6,565	8,564

Pennsylvania

1957	1958
1,322	1,835
1,240	1,480
1,440	1,860
1,578	1,898
1,741	2,043
1,619	2,245
8,940	11,361

West Virginia

1957	1958
173	202
203	204
208	285
207	293
235	272
192	338
1,218	1,594

Rhode Island

1957	1958
301	358
329	319
375	483
425	536
457	516
392	591
2,279	2,803

O'Mahoney Begins Insurance Investigation

(CONTINUED FROM PAGE 1)

chasers that the traffic would justify," the Wyoming senator declared.

Another field in which the subcommittee intends to seek some answers is the relationship of American aviation insurers with their counterparts in other countries, he added. "We are greatly concerned regarding the participation of American companies in international organizations of insurance groups, where they are exposed to the non-competitive philosophy of cartelized economies. We would like to know whether the American companies' association in such activities has been detrimental to the best interests of the American aviation industry."

There has been no serious study of aviation insurance since Civil Aero-

nautics Board published its report in 1944, Sen. O'Mahoney said. He participated in the Senate committee hearings on that report 14 years ago.

"In its study the CAB was extremely critical of the rating structure in the industry, of the high profits earned, and of the lack of competition," Sen. O'Mahoney observed.

In the hearings, the subcommittee will seek to determine what, if any, changes have been made during the intervening years.

"We will inquire into whether the American underwriters have acted in violation of the antitrust laws by combining to limit competition, to divide territory and to fix rates by agreement."

"It is of the greatest importance," he declared, "that Congress examine closely the operations of this industry to determine whether it has kept pace with the progress which has made America the leader in world aviation."

Donald McHugh, subcommittee counsel, indicated that he has had no formal contacts with National Assn. of Insurance Commissioners since the Chicago meeting of NAIC.

V. L. Sharpe, V-P Of Michigan Surety, Retires

Vernon L. Sharpe, vice-president and veteran of 20 years' standing with Michigan Surety, retired recently. He was supervisor of surety underwriting. Assistant Vice-president Robert J. Bunnell has been named supervisor of all fidelity and surety underwriting.

DIRECTORY OF RESPONSIBLE INDEPENDENT ADJUSTERS

CALIFORNIA

W. C. QUIGG & ASSOCIATES

284 Sprinkles Theatre Bldg., San Diego 1, Calif.
Telephone BE 2-5138

Service Office: 129 N. Orange Ave., El Cajon
Telephone HI 4-3139

ADJUSTMENTS—ALL LINES

Member Calif. Assoc. Independent Adjusters

FLORIDA

RAYMOND N. POSTON, Inc.

159 S. W. 8th St. Miami, Fla.

BRANCHES
FT. LAUDERDALE
531½ S. Andrews Avenue
PALM BEACH AREA
14 N. L. Street Lake Worth
KEY WEST
415 Fleming Street
ST. PETERSBURG
486 1st Avenue

ILLINOIS

E. S. GARD & CO.

Adjusters

CHICAGOLAND CASUALTY CLAIMS

★★★★★

175 W. Jackson Blvd., WABash 2-8880

JAMES J. HERMANN CO.

175 W. Jackson, Chicago

Harrison 7-9381

Aurora, Ill.—104 Fox St.
Waukegan, Ill.—110 N. Genesee St.
Joliet, Ill.—Morris Bldg.
Ottawa, Ill.—Central Life Building
Gary, Ind.—1085 Broadway

JOHN H. HUNT & CO., INC.

Chicago Office—330 S. Wells St., HA 7-0830

Serving Northern Illinois and N. W. Indiana

Branch Offices

WAUKEGAN, DElta 6-8822 GARY, Turner 2-9338

ELMHURST, Terrace 4-9480 JOLIET, Joliet 2-5634

24 HOUR SERVICE

NIGHT PHONE: ORchard 5-3594

J. R. McGowan, Pres.

THOMAS T. NORTH, INC.

Adjusters All Lines

Phone HARRISON 7-3230

175 W. Jackson Blvd., Chicago 4

J. L. FOSTER & R. K. FOSTER

Insurance Adjusters

First National Bank

Building

Springfield, Illinois

Tel. 8-7555

Fire Inland Marine Casualty

ILLINOIS (cont.)

LIVINGSTONE

ADJUSTMENT SERVICE

619 E. Capitol Ave., Springfield, Illinois

Branch Offices: Decatur — Mattoon —

Mt. Vernon — Belleville — Quincy

Covering Central and Southern Illinois

All Lines of Fire & Casualty

CHICAGO SUBURBAN

CLAIMS SERVICE

Adjusters

State 2-4803

100 N. La Salle St.

Chicago 2, Ill.

INDIANA

JOHN H. HUNT & CO., INC.

Chicago Office—330 S. Wells St., HA 7-0830

Serving Northern Illinois and N. W. Indiana

Branch Offices

GARY, Turner 2-9338 WAUKEGAN, DElta 6-8822

ELMHURST, Terrace 4-9480 JOLIET, Joliet 2-5634

24 HOUR SERVICE

NIGHT PHONE: ORchard 5-3594

KENTUCKY

McGUIRE ADJUSTMENT CO.

REPUBLIC BLDG.

LOUISVILLE 2, KY.

Staffed by experienced personnel for prompt and

courteous service in adjusting Casualty, Fire and

allied lines of insurance claims, within radius

of 75 miles.

PH. JUniper 4-6764 Night—MElrose 6-3771

NEVADA

R. L. GRESHAM & CO.

Multiple Line Adjusters

321 North 5th Street Las Vegas, Nev.

Servicing

Beatty and Pledge, Nevada

St. George and Cedar City, Utah

Needles and Baker, California

NEW YORK

In the Insurance Industry

WORK means SERVICE

Ralph A. Work, Inc.

General Adjusters for the Companies

17 John St., New York 38 WO 2-1810

24-HOUR SERVICE—Residence Phone RA 9-2966

NO. & SO. DAKOTA

AMERICAN ADJUSTERS

P. O. Box 435 Aberdeen, So. Dakota

Office Phone 3092

Night Phone 3114 and 7470

All Casualty, Auto, Fire and Allied Lines

Since 1944 throughout Southern 1/2 of North

Dakota and Northern 1/2 of South Dakota.

OHIO

O. R. BALL, INC.

Fire — Inland Marine

Allied Lines

1544 Hanna Building

Cleveland 15, Ohio

Phone SUPERior 1-7850

Night Phones: MOntrose 3-7664

Florida 1-3095

THOMAS D. GEMERCHAK

Insurance Adjustments

All Lines

416 Citizens Bldg., Cleveland 14, Ohio

Phones Off. Su. 1-2666 — Res. Fo. 1-9442

STATEWIDE ADJUSTMENT CO.

HOME OFFICE: 328 WILLIAMSON BLDG.

CLEVELAND 14, OHIO TOWER 1-1700

Offices throughout Ohio

Edwin C. Dolan, Mgr. Andrew Simon, Asst. Mgr.

Investigations and Adjustments for

Insurance Companies—All Lines.

Night Phones: FAirfax 2-5915, ACademy 1-0906

OKLAHOMA

C. R. WACKENHUTH AND SON

ADJUSTERS FOR THE

COMPANIES—ALL LINES

301 Mid-Continent Bldg.

Tulsa, Oklahoma

Phones LU 2-5460

GI 7-3850

H. BRUCE WELCH & ASSOC.

Multiple Line Adjusters and Investigators

534 So. West 29th Street

Oklahoma City 9, Oklahoma

MElrose 4-1408-09-00

H. Bruce Welch, Manager

S. M. D. Clark, Fire Manager

Bill Pruegert & Jess Horn, Casualty Adjusters

Servicing a 200 mile radius.

UTAH-IDAHO

SCOTT

WETZEL CO. UTAH-IDAHO

INSURANCE ADJUSTERS

428 So. Main, Salt Lake City, Utah

First Security Bank Bldg., Pocatello, Idaho

258 W. Broadway, Idaho Falls, Idaho

TORONTO-CANADA

ADAMSONS, LTD.

Established 1894

Fire — Inland Marine — Casualty

and Auto ADJUSTERS

10 Lines to Serve you.

Our cars are equipped with radio

for fast efficient service.

Phone: EMpire 3-6223

9 Wellington St., East Toronto 1



an open letter

from
John Ratterree
President

To Our Many Friends
in the Insurance Field:

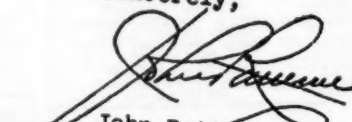
We are doing things to strengthen the present and fortify the future of our 725 employees and agents in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee and Virginia.

Proudly we announce the affiliation of Dixie Fire and Casualty Company and Southern Home Insurance Company with the State Automobile Mutual Insurance Company of Columbus, Ohio. This association was consummated on July 31, 1958, after the most searching investigation and consideration.

We will continue insurance operations and services with our entire personnel force. We will be backed by State Automobile Mutual, one of the pioneers in its field, now a leader with assets in excess of \$48,000,000, and serving 1,500 independent agents.

We now have a finer, stronger team with a bright future. Nice to be with our friends from Columbus, Ohio!

Sincerely,


John Ratterree
President

The story behind this letter...

Three rapidly growing companies now are united for greater strength and broader service. This means added facilities to those who buy insurance for car, home and business . . . and a wider opportunity for the several thousand independent agents representing these multiple-line carriers.

Here is a natural union of three established companies with proven records of successful operation and common ideals of prompt, helpful service and fair treatment.

With the solid power of additional resources and the opportunity to provide more diversified coverage, this associated group enters the new era with glowing optimism and high confidence.

State

DIXIE FIRE AND CASUALTY COMPANY
SOUTHERN HOME INSURANCE COMPANY
AUTOMOBILE MUTUAL INSURANCE COMPANY

ROBERT S. PEIN

Founder of State Automobile Mutual and its guiding light until his death in 1956, Mr. Pein was dedicated to a course of building soundly and securely on a strong and durable foundation. His memory is the inspiration in this new association of stable organizations.



PAUL R. GINGHER

"We are honored and delighted to be one with these fine southern companies. We look forward to the challenging days ahead, and the furtherance of the ideals of greater service set forth by the late founder of our company—Robert S. Pein."

The N
Inv
Sug
By
WASHI
inquiry in
tion in th
here last
questions
aviation i
scheduled
clearly in
investigat
and mon
national a
If the
O'Mahone
days of
notion. M
deadly se
(and it r
every asp
fixing, w
means; c
lack of i
directly
going to
especially
cert by t
non-regu
ocean m
life insur
His op
ing days
notice o
sioners
firm bel
in fact
as syno
Paci
Rein
A&S
Anno
by Cor
Mutual
Pacific
railroad
reinsur
cident
tinenta
Ralp
of Pac
wishes
life an
ary an
railroad
relieve
regula
we ha
office.
Lead
Vice
Conti
tive s
sion,
been
A&S
reinsu
are v
man